

UNITED STATES
HOUSE OF
REPRESENTATIVES

MONEY TRUST
INVESTIGATION

16-29

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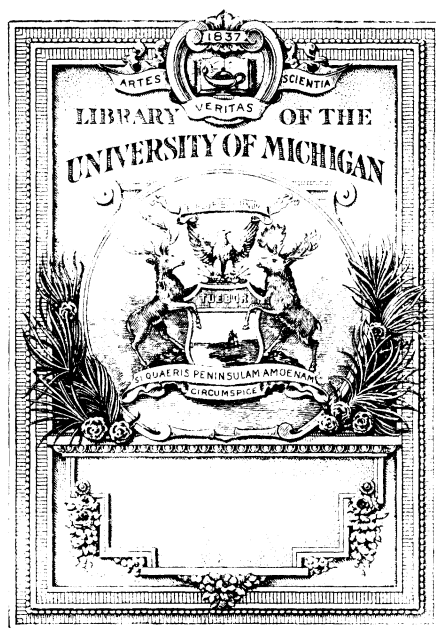
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MONEY TRUST INVESTIGATION

INVESTIGATION

OF

**FINANCIAL AND MONETARY CONDITIONS
IN THE UNITED STATES**

UNDER

HOUSE RESOLUTIONS NOS. 429 AND 504

BEFORE A

**SUBCOMMITTEE OF THE COMMITTEE ON
BANKING AND CURRENCY**

PART 25

SUBCOMMITTEE OF THE COMMITTEE ON BANKING AND CURRENCY.

HOUSE OF REPRESENTATIVES.

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MONEY TRUST INVESTIGATION.

SUBCOMMITTEE OF THE COMMITTEE ON BANKING AND CURRENCY, HOUSE OF REPRESENTATIVES.

Washington, D. C., Thursday, January 23, 1913.

The subcommittee met at 11.15 o'clock a. m.

Present: Messrs. Pujo (chairman), Stephens, Daugherty, Neeley, Byrnes, and Doughton.

Present also: Samuel Untermeyer, Esq., of New York City, counsel for the committee.

TESTIMONY OF THOMAS W. JOYCE.

The witness was sworn by the chairman.

Mr. UNTERMYER. Will you be good enough to state your residence and occupation?

Mr. JOYCE. 663 Willoughby Avenue, Brooklyn, N. Y. I occupy a position with J. P. Morgan & Co. known as that of security clerk.

Mr. UNTERMYER. How long have you been connected with J. P. Morgan & Co.?

Mr. JOYCE. Twenty-eight years.

Mr. UNTERMYER. Will you be good enough to describe the business of the department over which you preside, in which your position is known as that of security clerk?

Mr. JOYCE. My principal business is to receive and deliver securities and record the particulars of same for the uses of the firm.

Mr. UNTERMYER. Do you keep the books in your department or are they kept under your direction?

Mr. JOYCE. They are kept under my direction.

Mr. UNTERMYER. Have you brought with you a statement of the amount on deposit by J. P. Morgan & Co. with each of the different banks, as of January 2, 1912, and November 1, 1912?

Mr. JOYCE. I believe such a list has been furnished. I have not got it in my possession.

Mr. UNTERMYER. I would like to have Mr. Joyce produce that list, Mr. Lindabury.

Mr. Lindabury produced certain papers.

Mr. UNTERMYER. In answer to the request, the firm of J. P. Morgan & Co. produces two statements, from which we ask that there be marked in evidence the names of the banks with the deposit in each of J. P. Morgan & Co., which is the information for which I asked. The other two columns are not to be part of the record.

The papers referred to were marked, "Exhibits Nos. 219 and 220, January 23, 1913," and will be found printed in the record following volume 25.

Mr. UNTERMYER. Have you anything to do with the bank accounts of J. P. Morgan & Co.?

Mr. JOYCE. No, sir.

Mr. UNTERMYER. Do you know in what way the deposits of money with the firm are disposed of, and how they are invested?

Mr. JOYCE. I do not.

Mr. UNTERMYER. You have charge of the investments, have you not?

Mr. JOYCE. No, sir; only as custodian.

Mr. UNTERMYER. But as custodian you have charge of the securities held by the firm of J. P. Morgan & Co. for its own account?

Mr. JOYCE. And its clients.

Mr. UNTERMYER. And for the account of its clients?

Mr. JOYCE. Yes.

Mr. UNTERMYER. In what way are the securities held for the depositors of J. P. Morgan & Co.? Are there any separate accounts showing the allotment, to those that deposit with J. P. Morgan & Co., on any given securities?

Mr. JOYCE. Do you mean to say a separate record kept of them?

Mr. UNTERMYER. No; but is there any way of identifying them? For instance, if the International Harvester Co. is a depositor with J. P. Morgan & Co., are there any securities kept apart as against that deposit?

Mr. JOYCE. Against the cash deposit, do you refer to?

Mr. UNTERMYER. Yes; against cash deposits; against checks?

Mr. JOYCE. The records kept by me would only show what securities were in the possession of J. P. Morgan & Co. I would have no control over how it was applied.

Mr. UNTERMYER. No; but would you have any record that would enable the committee to ascertain whether any securities whatever are appropriated to or set apart for the moneys that J. P. Morgan & Co. hold as depository?

Mr. JOYCE. My records would not show any transaction of that kind.

Mr. UNTERMYER. So far as you know, are any securities of any kind held, or is there any security whatever other than the responsibility of the firm, as against these deposit accounts—these deposit liabilities of the firm?

Mr. JOYCE. I do not grasp the meaning of your question.

Mr. UNTERMYER. Let me see if I can make it perfectly plain. It appears that on January 1, 1912, Messrs. Morgan had on deposit, belonging to certain corporations, upward of \$100,000,000, I forget the exact amount.

Now, what I want to know is whether or not there is any security against those deposits other than the responsibility of the firm and its obligations?

Mr. JOYCE. You mean securities held for our clients?

Mr. UNTERMYER. No; securities held as against those deposits or appropriated as against them.

Mr. JOYCE. I do not know of any.

Mr. UNTERMYER. You do not know of any?

Mr. JOYCE. No, sir.

Mr. UNTERMYER. So far as you know, there is no such account, and there is no such method of dealing?

Mr. JOYCE. As I understand your question.

Mr. UNTERMYER. What becomes of these moneys that are deposited by interstate corporations with J. P. Morgan & Co., these cash deposits?

Mr. JOYCE. I do not have anything to do with that particular part of the business.

Mr. UNTERMYER. Do you know whether they are invested?

Mr. JOYCE. I do not know.

Mr. UNTERMYER. Would not the books of your department contain any entries relating to that subject; would they not show against what these securities are held?

Mr. JOYCE. The books of my department would show the receipt and delivery of securities for the clients of the firm, of the firm's own accounts.

Mr. UNTERMYER. Your books would also show the ownership or holding of securities for account of firms?

Mr. JOYCE. Yes, sir.

Mr. UNTERMYER. And would they also show the obligations against which these securities are held?

Mr. JOYCE. No, sir.

Mr. UNTERMYER. They would not show the debt?

Mr. JOYCE. Not unless they were held as collateral to a loan.

Mr. UNTERMYER. But apart from that, if they were all out of deposits by customers, the amount of deposits representing the debt would not show in your books or in your department, would it?

Mr. JOYCE. No, sir.

Mr. UNTERMYER. Have you anything to do with the underwriting?

Mr. JOYCE. No, sir.

Mr. UNTERMYER. No relation to it at all?

Mr. JOYCE. No, sir.

Mr. UNTERMYER. Do you know the business, or that branch of it, at all?

Mr. JOYCE. Only through my ordinary familiarity.

Mr. UNTERMYER. Have you anything to do with the allotment of securities?

Mr. JOYCE. No, sir.

Mr. UNTERMYER. That is in another department, is it?

Mr. JOYCE. It is done by the firm.

Mr. UNTERMYER. Do you know whether there are lists kept by the firm, of corporations and individuals and firms, from which those to whom these allotments are made are selected?

Mr. JOYCE. I do not.

Mr. UNTERMYER. You know nothing about that?

Mr. JOYCE. No.

Mr. UNTERMYER. And you do not know anything about who were the participants in this underwriting?

Mr. JOYCE. No.

Mr. UNTERMYER. You do not get any information on that subject in your department?

Mr. JOYCE. Not until we have to deliver securities; that is all. I know to whom I deliver securities.

Mr. UNTERMYER. In cases in which no delivery of securities is made to the underwriters, but securities are sold by the firm, then the transaction does not come to you?

Mr. JOYCE. No.

Mr. UNTERMYER. Have you brought any books or papers with you?

Mr. JOYCE. I have not.

Mr. UNTERMYER. Are you the custodian of the documents of the firm, such as agreements, voting trust agreements, and the like?

Mr. JOYCE. No, sir.

Mr. UNTERMYER. That is in another department?

Mr. JOYCE. That is kept by the firm.

Mr. UNTERMYER. And not within your jurisdiction?

Mr. JOYCE. No, sir.

Mr. UNTERMYER. The records kept under your direction would show, however, would they not, the amount of securities in the various constituent companies that were combined into the United States Steel Co., that were owned by the firm of J. P. Morgan & Co. at the time of the combination?

Mr. JOYCE. The records would show the securities owned by those companies if they had on deposit with us any securities.

Mr. UNTERMYER. I am not speaking of the securities owned by those companies, but I am speaking of securities owned by J. P. Morgan & Co. in those companies. Your records would show that, would they not?

Mr. JOYCE. Yes.

Mr. UNTERMYER. Have you brought those records with you?

Mr. JOYCE. No.

Mr. UNTERMYER. Mr. Lindabury, we asked in this letter to you of January 24, as follows:

The committee would like also a statement of the holdings of Messrs. J. P. Morgan & Co. in stocks of the constituent companies that were transferred to the United States Steel Corporation at or about the time of the transfer, showing the interest of Messrs. Morgan & Co. in the securities that were exchanged for United States Steel securities.

Have you brought such a list?

Mr. LINDABURY. No; we have not brought that.

Mr. UNTERMYER. Have you been asked to prepare such a list from your books?

Mr. JOYCE. No, sir.

Mr. UNTERMYER. The data in your office would show the extent of such ownership, would it not?

Mr. JOYCE. The records would show if there were any securities owned.

Mr. UNTERMYER. Yes. Have you any recollection as to the securities that were owned by J. P. Morgan & Co. that went into the consolidation?

Mr. JOYCE. I can not recall; I can not remember.

Mr. UNTERMYER. You can not remember any of them?

Mr. JOYCE. No sir.

Mr. UNTERMYER. Can you give us any approximate idea of what the amount of them was?

Mr. JOYCE. I can not remember.

Mr. UNTERMYER. There were such securities, were there not?

Mr. JOYCE. My recollection is that securities that went in the United States Steel Corporation were deposited with various trust companies and depositories.

Mr. UNTERMYER. But before being deposited with various trust companies and depositories for exchange, were they not first in your possession, after they were acquired by J. P. Morgan & Co., if they were so acquired?

Mr. JOYCE. I do not recall.

Mr. UNTERMYER. Do you mean to say that you do not know whether or not you did turn over any such securities under any deposit arrangement?

Mr. JOYCE. I may have turned over some securities, but what they were I do not remember.

Mr. UNTERMYER. You remember the names of these constituent companies, do you not?

Mr. JOYCE. Some of them; yes, sir.

Mr. UNTERMYER. Do you remember the American Steel Hoop Co.?

Mr. JOYCE. Yes.

Mr. UNTERMYER. Did the firm have any of those securities at the time of the reorganization, or did it turn over any for deposit?

Mr. JOYCE. I can not remember.

Mr. UNTERMYER. And is your answer the same for the American Tin Plate Co.?

Mr. JOYCE. Yes.

Mr. UNTERMYER. And is it the same as to the American Steel Wire Co.?

Mr. JOYCE. Yes.

Mr. UNTERMYER. And as to the American Sheet Steel Co.?

Mr. JOYCE. Yes.

Mr. UNTERMYER. And as to the Federal Steel Co.?

Mr. JOYCE. Yes.

Mr. UNTERMYER. Do you not know that your firm had large holdings in the Federal Steel Co.?

Mr. JOYCE. I can not remember. It is 13 years ago.

Mr. UNTERMYER. Is your answer the same as to the National Steel Company?

Mr. JOYCE. Yes.

Mr. UNTERMYER. And as to the National Tube Co.?

Mr. JOYCE. Yes.

Mr. UNTERMYER. Had not J. P. Morgan & Co. originally issued the Federal Steel Co. and been concerned in its organization?

Mr. JOYCE. I think they did.

Mr. UNTERMYER. And the National Tube Co.?

Mr. JOYCE. Yes.

Mr. UNTERMYER. Does not that refresh your memory so as to enable you to say whether or not they were very large holders of those securities at the time the securities were acquired or called for under the arrangement for the reorganization of the United States Steel Corporation?

Mr. JOYCE. As you read the names, I recalled the names, but I could not say anything as to the amounts that they owned, or whether they owned any or not.

Mr. UNTERMYER. You have not refreshed your recollection, or been asked to do so since you were notified you would be required to appear here?

Mr. JOYCE. No, sir.

Mr. **INTERMYER**. Have you anything to do with the department concerned with the issue of securities—I mean the issue of new securities—by Messrs. Morgan & Co. as bankers? Have you anything to do with the department concerned in the issue of those securities?

Mr. **JOYCE**. In what capacity do you mean?

Mr. **INTERMYER**. In any capacity.

Mr. **JOYCE**. If securities were received by J. P. Morgan & Co. they would be under my custody.

Mr. **INTERMYER**. Then it is a fact that your business is confined purely to that of being custodian of the securities?

Mr. **JOYCE**. Custodian.

Mr. **INTERMYER**. Without any knowledge or information as to the way in which they come into the possession of J. P. Morgan & Co. or the way that they go out of it—is that right?

Mr. **JOYCE**. Yes, sir.

Mr. **INTERMYER**. Have you produced here any of the records concerned with the voting trust of the Southern Railway?

Mr. **LINDABURY**. My recollection is that the request last alluded to and some others were made of the firm and not of the witness, and the witness has not been spoken to about it; but I think we have it.

Mr. **INTERMYER**. Very well.

Mr. **LINDABURY**. I think it is fair to the witness to say that I did not show him that or confer with him on the subject.

Mr. **INTERMYER**. I do not think that Mr. Joyce knows very much about these facts. We understood that he did. In fact, we were informed that he did.

Mr. **JOYCE**, does this list that has been produced here contain a statement of all the depositories of J. P. Morgan & Co.—all the banks in which they deposit funds?

Mr. **JOYCE**. May I see that list?

Mr. **LINDABURY**. It is conceded by counsel for the firm that the list produced represents all the depositories of the firm of J. P. Morgan & Co.

Mr. **INTERMYER**. Mr. Joyce, we will excuse you and ask Mr. Davison take the stand.

TESTIMONY OF HENRY P. DAVISON.

The witness was sworn by the chairman.

Mr. **INTERMYER**. Please state your residence and occupation.

Mr. **DAVISON**. New York City; and I am a member of the firm of J. P. Morgan & Co.

Mr. **INTERMYER**. How long have you been a member of that firm?

Mr. **DAVISON**. Since the 1st of January, 1909.

Mr. **INTERMYER**. Prior to that what was your occupation?

Mr. **DAVISON**. I was vice president of the First National Bank.

Mr. **INTERMYER**. When did you become vice president of that bank?

Mr. **DAVISON**. On the 1st of January, 1902.

Mr. **INTERMYER**. And before that time had you been connected with the bank?

Mr. **DAVISON**. No; I had not.

Mr. **INTERMYER**. Had you been in the banking business before that?

Mr. DAVISON. Yes; I was president of the Liberty National Bank. I resigned that position to take the position with the First National Bank.

Mr. UNTERMYER. Was Mr. Converse then connected with the Liberty National Bank when you were president?

Mr. DAVISON. He was a director; yes, sir.

Mr. UNTERMYER. Was he the chairman of the board?

Mr. DAVISON. He was not.

Mr. UNTERMYER. Had he not been the president of that bank?

Mr. DAVISON. No; he had not.

Mr. UNTERMYER. Did he succeed you?

Mr. DAVISON. He succeeded me.

Mr. UNTERMYER. That is Mr. Edward C. Converse?

Mr. DAVISON. Yes.

Mr. UNTERMYER. He is a member of the executive committee of the United States Steel Corporation, is he not?

Mr. DAVISON. I think there is no executive committee of the United States Steel Corporation.

Mr. UNTERMYER. He is not, then?

Mr. DAVISON. No; he is not.

Mr. UNTERMYER. He is a director of the United States Steel Corporation, is he not?

Mr. DAVISON. I believe he is.

Mr. UNTERMYER. Was he or not a director and largely interested in the National Tube Co., which was merged in the United States Steel Corporation, through a stockholding?

Mr. DAVISON. I can not speak positively. My understanding—my recollection—is that he was president of the National Tube Co., and I have supposed that he was largely interested, but I do not know of my own knowledge.

Mr. UNTERMYER. You know nothing, personally, about the facts surrounding the organization of the United States Steel Corporation?

Mr. DAVISON. No; I do not.

Mr. UNTERMYER. That preceded your connection with the First National, did it not?

Mr. DAVISON. Yes.

Mr. UNTERMYER. Were you in no way connected with the United States Steel Corporation organization through your relations as president of the Liberty Bank?

Mr. DAVISON. I do not think I quite understand that.

Mr. UNTERMYER. You were president of the Liberty Bank, were you not, at the time the United States Steel Corporation was organized?

Mr. DAVISON. Yes.

Mr. UNTERMYER. As president of the Liberty Bank, did you have any connection with the organization of the United States Steel Corporation or with the underwriting of its securities?

Mr. DAVISON. As president of the Liberty National Bank?

Mr. UNTERMYER. Either as president of the Liberty National Bank or in any other connection or capacity.

Mr. DAVISON. Are you asking me if I had a personal interest in the underwriting?

Mr. UNTERMYER. I ask whether you had an interest personally or in a representative capacity?

Mr. DAVISON. I had no interest in a representative capacity.

Mr. UNTERMYER. Then you were an underwriter personally, were you?

Mr. DAVISON. I was, to a very small extent, I am sorry to say.

Mr. UNTERMYER. What I am trying to get at is to ascertain whether you had any active cooperation with or connection with the organization of that company.

Mr. DAVISON. Absolutely none.

Mr. UNTERMYER. So that you are not familiar with any of those facts?

Mr. DAVISON. Not at all.

Mr. UNTERMYER. Are you still a director in the Liberty Bank?

Mr. DAVISON. I am.

Mr. UNTERMYER. Are you a member of the executive committee?

Mr. DAVISON. I am.

Mr. UNTERMYER. Who are the members of the executive committee of that bank; do you remember?

Mr. DAVISON. It is a pretty long list.

Mr. UNTERMYER. The executive committee is a long list?

Mr. DAVISON. A long list.

Mr. UNTERMYER. How long a list is the entire board?

Mr. DAVISON. I do not recall, exactly; I think it is 23 or 24 or 25, and I think the executive committee is composed of about 12 members. I can give you a list if you desire it.

Mr. UNTERMYER. Yes; if you will, please.

Mr. DAVISON. Do you want the full names?

Mr. UNTERMYER. If you please.

Mr. DAVISON. E. C. Converse, Otis H. Cutler, George B. Case, Arthur F. Luke, D. E. Pomeroy, Seward Prosser, D. G. Reid, C. H. Sabin, F. B. Schenck, C. H. Stout, A. H. Wiggin, and myself—12 members.

Mr. UNTERMYER. Who is chairman of the executive committee?

Mr. DAVISON. I am.

Mr. UNTERMYER. Do you recall the capital and surplus of the bank?

Mr. DAVISON. The capital is \$1,000,000 and the surplus is—

Mr. UNTERMYER. Perhaps you can tell us approximately.

Mr. DAVISON. My recollection is that the surplus and undivided profits, by the statement of November, show as \$2,790,000.

Mr. UNTERMYER. What are the deposits?

Mr. DAVISON. \$25,123,000.

Mr. UNTERMYER. Is Mr. Albert H. Wiggin, who you say is a member of the executive committee, the same Mr. Wiggin who is president of the Chase Bank?

Mr. DAVISON. He is.

Mr. UNTERMYER. And is associated with you in other banks?

Mr. DAVISON. Yes.

Mr. UNTERMYER. Is Mr. Sabin vice president of the Guaranty Trust Co.?

Mr. DAVISON. He is.

Mr. UNTERMYER. And he is associated with you in other banking boards?

Mr. DAVISON. I think not.

Mr. UNTERMYER. Are you sure of that?

Mr. DAVISON. I do not recall that he is in any other except the Guaranty Trust, of which I am chairman.

Mr. UNTERMYER. Is Daniel G. Reid the same gentleman who is one of the voting trustees of the Bankers' Trust Co. with you?

Mr. DAVISON. He is.

Mr. UNTERMYER. And is Mr. Case, who is another member of the executive committee of the Liberty Bank, your counsel?

Mr. DAVISON. He is my personal counsel; yes.

Mr. UNTERMYER. He is here?

Mr. DAVISON. He is here.

Mr. UNTERMYER. And he is of the firm of White & Case?

Mr. DAVISON. He is.

Mr. UNTERMYER. Which also represents the Bankers' Trust Co.?

Mr. DAVISON. His firm are counsel for the Bankers' Trust.

Mr. UNTERMYER. And for the Liberty Bank?

Mr. DAVISON. And for the Liberty National Bank; yes.

Mr. UNTERMYER. And also the Astor Trust?

Mr. DAVISON. For the Astor Trust; yes.

Mr. UNTERMYER. Are you a director of the Astor Trust Co.?

Mr. DAVISON. I am.

Mr. UNTERMYER. Are you a member of the executive committee?

Mr. DAVISON. I am.

Mr. UNTERMYER. Are you chairman of the executive committee?

Mr. DAVISON. I am.

Mr. UNTERMYER. Of whom is that executive committee composed?

Mr. DAVISON. The executive committee of the Astor Trust are Messrs. E. C. Converse, T. W. Lamont, E. L. Marston, G. W. McGarrah, D. E. Pomeroy, William H. Porter, Seward Prosser, D. G. Reid, Benjamin Strong, jr., Albert H. Wiggin, and myself.

Mr. UNTERMYER. Mr. Strong is the same Mr. Strong who is vice president and acting president of the Bankers' Trust Co.?

Mr. DAVISON. He is the vice president of the Bankers' Trust Co. and the executive officer. He has not the title of acting president.

Mr. UNTERMYER. Mr. Porter is a member of the firm of J. P. Morgan & Co., is he not?

Mr. DAVISON. He is.

Mr. UNTERMYER. Who is Mr. Pomeroy?

Mr. DAVISON. Mr. Pomeroy is vice president of the Bankers' Trust Co.

Mr. UNTERMYER. And is the same Mr. Pomeroy who is also a member of the executive committee of the Liberty Bank?

Mr. DAVISON. He is.

Mr. UNTERMYER. Is Mr. McGarrah the president of the Mechanics & Metals Bank?

Mr. DAVISON. He is.

Mr. UNTERMYER. Is Mr. Marston the same Mr. Marston who is president of the Farmers' Loan & Trust Co., or is it Blair & Co.?

Mr. DAVISON. Blair & Co.

Mr. UNTERMYER. Mr. Lamont, who is on the board, is also a member of J. P. Morgan & Co.?

Mr. DAVISON. Yes.

Mr. UNTERMYER. Have you not a memorandum there showing the capital, surplus, and deposits of the Astor Trust Co.?

Mr. DAVISON. I have. The Astor Trust, as shown by their statement of September 9, have capital, \$1,250,000; surplus and undivided profits, \$1,368,000, and deposits, \$23,250,000. Those are round numbers.

Mr. UNTERMYER. You are also a director, are you not, in the First National Bank?

Mr. DAVISON. I am.

Mr. UNTERMYER. Are you a member of the executive committee?

Mr. DAVISON. I am not.

Mr. UNTERMYER. Is there an executive committee there?

Mr. DAVISON. There is; yes.

Mr. UNTERMYER. Do you know the membership of it?

Mr. DAVISON. My recollection is that the members of the executive committee are Messrs. J. P. Morgan, F. L. Hine, and A. B. Hepburn. I am not absolutely positive of that, but that is my recollection.

Mr. UNTERMYER. Do they sit by proxy?

Mr. DAVISON. I can not say.

Mr. UNTERMYER. Was that the situation when you were at the bank?

Mr. DAVISON. The executive committee in the bank were never active when I was there. They had an executive committee, but, as a matter of fact, while I was there I never knew of their taking any action.

Mr. UNTERMYER. You are a director in the Chemical National Bank, are you?

Mr. DAVISON. I am.

Mr. UNTERMYER. And in the Bank of Commerce?

Mr. DAVISON. I am.

Mr. UNTERMYER. And in the First Security Co.?

Mr. DAVISON. I am.

Mr. UNTERMYER. Are you also a director in the Guaranty Trust Co.?

Mr. DAVISON. I am.

Mr. UNTERMYER. And in the Bankers Trust Co.?

Mr. DAVISON. I am.

Mr. UNTERMYER. Are you also one of the voting trustees in each of the two last-named companies?

Mr. DAVISON. I am.

Mr. UNTERMYER. With respect first to the Guaranty Trust Co., Mr. Davison, were you active in setting up that voting trust?

Mr. DAVISON. I do not know just what you mean by setting up the voting trust.

Mr. UNTERMYER. Was it your idea?

Mr. DAVISON. I do not recall whether it was or was not. It may have been. I was in conference on that subject when that voting trust was made.

Mr. UNTERMYER. In conference with whom?

Mr. DAVISON. With my associates in the purchase of the stock.

Mr. UNTERMYER. Did you buy the stock at that time with your associates?

Mr. DAVISON. Yes; several of us made a purchase of the stock.

Mr. UNTERMYER. Was that at the time the Mutual Life parted with its stock?

Mr. DAVISON. It was.

Mr. UNTERMYER. Do you remember the date?

Mr. DAVISON. My recollection is that it was in the early part of 1910. I can give you the exact date if you wish it.

Mr. UNTERMYER. Yes; if you will. The voting trust agreement is dated January 3, 1910.

Mr. DAVISON (after examination of memorandum). I have not the exact date. It was the early part of 1910.

Mr. UNTERMYER. That is near enough. Who negotiated that purchase for the Mutual Life on behalf of the purchaser?

Mr. DAVISON. I did.

Mr. UNTERMYER. With whom did you negotiate it?

Mr. DAVISON. Mr. Peabody, the president of the Mutual Life.

Mr. UNTERMYER. How much stock was purchased?

Mr. DAVISON. About 6,000 shares.

Mr. UNTERMYER. Was that the total holding of the Mutual Life?

Mr. DAVISON. My recollection is that it was.

Mr. UNTERMYER. What was the capital of the Guaranty Trust at that time?

Mr. DAVISON. \$2,000,000.

Mr. UNTERMYER. That was 20,000 shares?

Mr. DAVISON. 20,000 shares.

Mr. UNTERMYER. Did you have any written agreement with Mr. Peabody or with the Mutual Life with respect to that purchase?

Mr. DAVISON. We had; yes.

Mr. UNTERMYER. And have you that here?

Mr. DAVISON. I have not.

Mr. UNTERMYER. Was the agreement made with you for yourself and associates?

Mr. DAVISON. My recollection is that it was.

Mr. UNTERMYER. But you were the only person named in the agreement as purchaser?

Mr. DAVISON. No; I think there were others named in the agreement.

Mr. UNTERMYER. Was Mr. Baker one of the persons named in the agreement?

Mr. DAVISON. I am not quite sure, Mr. Untermyer, who was named, but I think Mr. Baker was not. I am quite confident.

Mr. UNTERMYER. There is no objection to producing the agreement?

Mr. DAVISON. Not the slightest.

Mr. UNTERMYER. Will you supply that?

Mr. DAVISON. I will be glad to.

Mr. UNTERMYER. Was Mr. Baker a participant in the purchase?

Mr. DAVISON. My recollection is that he was not, but I am not clear. If he was, it was a very small percentage.

Mr. UNTERMYER. Was he already a holder of the stock in the Guaranty Trust at that time?

Mr. DAVISON. He must have been, as he was a director.

Mr. UNTERMYER. Were you also a director?

Mr. DAVISON. I was not.

Mr. UNTERMYER. Had you any interest in the trust company at that time?

Mr. DAVISON. None whatever.

Mr. UNTERMYER. Or Mr. Porter?

Mr. DAVISON. Not so far as I know.

Mr. UNTERMYER. Did you make it a condition, then, of buying in the Guaranty Trust that there should be a voting trust?

Mr. DAVISON. No.

Mr. UNTERMYER. Did you negotiate or deal with the large holders of stock outstanding?

Mr. DAVISON. We purchased the stock of Mrs. Harriman.

Mr. UNTERMYER. How much did she have?

Mr. DAVISON. Approximately 6,000 shares; that is my recollection.

Mr. UNTERMYER. Those two purchases gave you control?

Mr. DAVISON. Yes; gave us 12,000 shares.

Mr. UNTERMYER. That gave you 12,000 out of 20,000 shares?

Mr. DAVISON. Correct.

Mr. UNTERMYER. How was the balance of the stock held, the remaining 8,000 shares; was it pretty well scattered?

Mr. DAVISON. Pretty well scattered, I think.

Mr. UNTERMYER. There were no large holdings?

Mr. DAVISON. I think there were no very large holdings, I can not say as to that. I do not recall. I think there were one or two rather large holdings.

Mr. UNTERMYER. Of over a thousand shares each?

Mr. DAVISON. I do not remember. It was not a factor in any—

Mr. UNTERMYER (interposing). Do you remember who they were?

Mr. DAVISON. No; I do not.

Mr. UNTERMYER. At any rate you did not have any negotiations with them?

Mr. DAVISON. No; we had no negotiations with them.

Mr. UNTERMYER. When you took over this control of the Guaranty Trust for yourself and your associates through these two purchases, did you contemplate then absorbing other trust companies?

Mr. DAVISON. Mr. Untermyer, the plan of purchase of the Guaranty Trust dates back from the period of the time of the purchase.

Mr. UNTERMYER. The point I want to inquire about and which I would like to have you direct attention to is that when you effected that purchase you had in mind the absorption of other institutions into the Guaranty Trust?

Mr. DAVISON. No, sir; we had not. Quite the contrary.

Mr. UNTERMYER. Did you have in mind the absorption of the Guaranty Trust into some other institution?

Mr. DAVISON. We had. The stock of the Guaranty Trust was purchased in the interest of the Bankers Trust Co.

Mr. UNTERMYER. Did you then have in mind the absorption, either by the Bankers Trust or the Guaranty Trust or by both of them, as combined with other trust companies?

Mr. DAVISON. No, sir.

Mr. UNTERMYER. So that when you made the purchase there was no idea of any further amalgamation than that of the two trust companies?

Mr. DAVISON. You mean any specific idea; that is as to any particular—

Mr. UNTERMYER (interposing). No; but any general plan.

Mr. DAVISON. None whatever.

Mr. UNTERMYER. Or purpose of acquiring other trust companies or banks?

Mr. DAVISON. None whatever.

Mr. UNTERMYER. Did you make it a condition of acquiring the Guaranty Trust that there should be a voting trust?

Mr. DAVISON. I think I have answered no; that we did not.

Mr. UNTERMYER. It was part of the general plan by which you acquired it, was it not?

Mr. DAVISON. Not at all.

Mr. UNTERMYER. How soon after the acquisition of the stock was the voting trust created?

Mr. DAVISON. I think almost immediately after.

Mr. UNTERMYER. Was it not practically part of the same transaction?

Mr. DAVISON. Not at all.

Mr. UNTERMYER. In point of date it was concurrent, was it not?

Mr. DAVISON. I say I think it occurred practically at the same time; but the voting trust and the purchase had absolutely no relation one to the other.

Mr. UNTERMYER. When you made the purchase at the same time that you set up the voting trust, you had in mind setting up a voting trust, did you not?

Mr. DAVISON. I think I can say we had no such thought in mind when that purchase was made. My recollection is that after we had made the purchase we thought, in view of plans we contemplated, that it would be wise to create that voting trust; and we did so and offered the other stockholders an opportunity to come in and join with us.

Mr. UNTERMYER. You mean you offered them the opportunity to resign the voting rights on their shares.

Mr. DAVISON. Exactly.

Mr. UNTERMYER. That was not much of a privilege, was it?

Mr. DAVISON. They seemed to regard it as such.

Mr. UNTERMYER. You mean because they went in?

Mr. DAVISON. Because they accepted.

Mr. UNTERMYER. But where was the privilege? Since you had a majority anyway and could create a voting trust that would control the company, what privilege or advantage was it to a minority holder of stock to resign his voting rights?

Mr. DAVISON. I think, perhaps, they can answer that better than I can. They elected to accept the invitation.

Mr. UNTERMYER. Yes; but if there was any privilege or advantage in such a surrender of their rights, perhaps you will be good enough to point it out, if you can see any.

Mr. DAVISON. If we had not seen an advantage in it we would not have organized the voting trust.

Mr. UNTERMYER. I am not speaking of the advantage to the majority holders of organizing a voting trust to control the company, but what I would like to know is, what advantage was it, so far as you can see, to a minority holder to surrender his rights and go into a voting trust?

Mr. DAVISON. I do not know that we made any particular argument in favor of extending to them a privilege. We were organizing a voting trust.

Mr. UNTERMYER. I have not suggested that you did make any argument. I am trying to find out from you whether, from your

experience in financial affairs, you can see where there was any advantage to a minority holder in surrendering his voting rights and going into a voting trust, when you already controlled a majority of the stock.

Mr. DAVISON. Under the present laws I do not know that I do see any advantage in a minority holder putting his stock with the majority under a voting trust.

Mr. UNTERMYER. Why do you refer to the present laws? Are there any other laws, or any former laws anywhere, under which there would be any advantage?

Mr. DAVISON. I do not know what laws you are contemplating putting on the statute books. I referred not to laws that have been passed, but to laws in the future.

Mr. UNTERMYER. This agreement was not made with reference to any contemplated future law, was it?

Mr. DAVISON. Not at all. Do you mind my making a statement on this voting-trust question?

Mr. UNTERMYER. No. I think the committee would like to have a statement from you on this question of voting trusts of trust companies and financial institutions.

Mr. DAVISON. I should be very glad to explain the question of the voting trusts, so far as we have been associated with them. Several of the younger bankers in New York organized the Bankers Trust Co. in 1903. It was at that time that we organized the voting trust for the stock of the Bankers Trust Co. The stock of the trust company was issued, and after it was issued and turned over to the stockholders they then turned it back into a voting trust. The particular purpose of that was to preclude the purchase overnight of the control of that company by individuals who were at that time active in New York, whose credit and responsibility were somewhat under question. They were regarded as promoters, and we wanted to protect our position. We had lent our names to a financial institution that was our first undertaking in that regard, and we did not want to wake up some morning and find that these promoters had purchased control of the stock away from us. The matter was not given any very serious thought as to whether there was any objection or could be any objection on the part of anybody as to a voting trust. We thought that was a wise way to protect our situation. The trust was carried on and renewed from time to time. Perhaps you will want to take that up in some other way.

When we purchased, as we did, the majority of the stock of the Guaranty Trust Co., we purchased it with the idea of merging the Guaranty Trust Co. and the Bankers Trust Co., and our experience with the voting trust in the Bankers Trust Co. had been so very satisfactory that it suggested itself to us that it might be well to put that stock under the voting trust, and when the merger was effected it could be more simply handled.

Mr. UNTERMYER. Are you not mistaken in saying that the Bankers Trust Co. stock was first issued and was then turned back into the voting-trust arrangement as a subsequent thought or idea?

Mr. DAVISON. I did not say, Mr. Untermyer, that it was a subsequent thought or idea.

Mr. UNTERMYER. Did you not mean to imply that it was not a part of the arrangement or understanding or intention, at the time the

trust company was organized, that it should go into a voting trust?

Mr. DAVISON. I did not mean to imply anything that I did not say. What I said was, and I think I am correct in making the statement, that the stock was first issued to the stockholders and then turned back into a voting trust.

Mr. UNTERMYER. Was it not issued with the idea that it should be put into the voting trust? Was not that one of the understandings of the issue?

Mr. DAVISON. What do you mean by the understanding of the issue?

Mr. UNTERMYER. Was not that one of the conditions under which it was issued?

Mr. DAVISON. It was not.

Mr. UNTERMYER. Let us see what the agreement is. Do you remember when the stock was issued?

Mr. DAVISON. My recollection is that the company opened for business on the 30th of March, 1903.

Mr. UNTERMYER. Was not the idea of this voting trust in contemplation between you at the time the stock was issued?

Mr. DAVISON. It may have been.

Mr. UNTERMYER. Well, was it?

Mr. DAVISON. I say I do not remember. It may have been.

Mr. UNTERMYER. I will read to you from the agreement, which is dated the 18th of March, 1903, the following recital. This is the voting-trust agreement.

Mr. DAVISON. Yes.

Mr. UNTERMYER (reading):

Whereas the terms and provisions of this agreement and the execution thereof were in contemplation of all the parties at the time of their respective subscriptions to the stock of the company and formed a part of the consideration for the said subscriptions to said stock, although not recited in the subscription agreement for said stock, etc.

Does not that recital refresh your memory so that you are able to correct your statement?

Mr. DAVISON. It does not refresh my memory. What does that come from?

Mr. UNTERMYER. It comes from the Bankers' Trust Co. and is the original agreement.

Mr. DAVISON. The voting-trust agreement?

Mr. UNTERMYER. Yes; the voting-trust agreement.

Mr. DAVISON. Then it makes clear that the voting trust was contemplated. I am perfectly willing to concede that it was.

Mr. UNTERMYER. I should think you might be.

Mr. DAVISON. My statement I would like to have recorded as made, which is that the stock was first issued to the stockholders and then turned back into the voting trust. So far as that agreement or arrangement is concerned it had entirely escaped my recollection if I ever knew it.

Mr. UNTERMYER. Now that you have had your attention called to the fact there is not any doubt, is there, that it was a part of the consideration and understanding at the time the Bankers' Trust Co. was formed that it should be put under a voting trust?

Mr. DAVISON. I do not know that I quite understand your question.

Mr. UNTERMYER. I will put it again.

Mr. DAVISON. If you will.

Mr. UNTERMYER. Does not the reading of that agreement refresh your recollection so that you are able to say that the execution of the voting-trust agreement was in contemplation at the time that you subscribed to the stock and that it formed a part of the consideration for your subscription?

Mr. DAVISON. Is not that the answer to your question [indicating paper]?

Mr. UNTERMYER. There is my question. [The last question was read aloud by the stenographer.]

Mr. DAVISON. I will offer the written statement there as an answer to your question.

Mr. UNTERMYER. It is not an answer to my question. The question is whether that does not refresh your recollection as to the fact?

Mr. DAVISON. I am sorry that it does not. I do not recall it at all. I am perfectly willing to concede it, but I do not recall it.

Mr. UNTERMYER. You were starting a new trust company and you were all experienced bankers, were you not?

Mr. DAVISON. We thought we were then, perhaps, but we are not so sure now that we were.

Mr. UNTERMYER. You were all well-known bankers and heads of large banks in New York?

Mr. DAVISON. No; we were in the so-called younger generation in the banking business.

Mr. UNTERMYER. Let us see about these young men.

Mr. DAVISON. It is all comparative, you know.

Mr. UNTERMYER. The first of these young men who started into this infant enterprise is Mr. Stephen Baker. He was president of the Bank of the Manhattan Co.?

Mr. DAVISON. He was.

Mr. UNTERMYER. He was not a very young man, was he?

Mr. DAVISON. No; as I say, it is all comparative.

Mr. UNTERMYER. About how old a man should you say he was in 1903? That is nearly 10 years ago.

Mr. DAVISON. I should say that Mr. Baker was perhaps 40 in 1903; a pretty young man.

Mr. UNTERMYER. Was he related to George Baker?

Mr. DAVISON. I think not.

Mr. UNTERMYER. The next young man is Samuel G. Bayne, president of the Seaboard National Bank.

Mr. DAVISON. Well, you know Mr. Bayne.

Mr. UNTERMYER. He is well over 70, is he not?

Mr. DAVISON. I do not think so. I do not know. He is pretty active.

Mr. UNTERMYER. You know his son, do you not?

Mr. DAVISON. Yes; I think I do.

Mr. UNTERMYER. And his grandchildren?

Mr. DAVISON. No; I am sorry to say I do not.

Mr. UNTERMYER. He was the head of one of the great banks of New York?

Mr. DAVISON. Yes.

Mr. UNTERMYER. And he is still?

Mr. DAVISON. Yes.

Mr. UNTERMYER. The Bank of Manhattan is one of the large banks?

Mr. DAVISON. Yes.

Mr. UNTERMYER. And was then, was it not?

Mr. DAVISON. Yes.

Mr. UNTERMYER. The next young man was Edward C. Converse. He is a man well on in years, is he not?

Mr. DAVISON. As I say, it is all comparative.

Mr. UNTERMYER. He is a man in the neighborhood of 70 years of age?

Mr. DAVISON. I think not. I think Mr. Converse—I do not know.

Mr. UNTERMYER. Well, 60 or so?

Mr. DAVISON. I should say he is 61 or 62.

Mr. UNTERMYER. And he was the president of what bank?

Mr. DAVISON. He was president of no bank.

Mr. UNTERMYER. He was connected with the Liberty Bank at that time—in 1903?

Mr. DAVISON. Yes; he was president of the Liberty Bank.

Mr. UNTERMYER. Which is also an important institution?

Mr. DAVISON. Yes.

Mr. UNTERMYER. The next man on the list is Mr. Davison.

Mr. DAVISON. You would not argue about his youthfulness?

Mr. UNTERMYER. He was vice president of the First National Banks?

Mr. DAVISON. Yes.

Mr. UNTERMYER. We will concede that you were a young man and still are.

Mr. James H. Eccles is a young man? He was president of the Commercial National Bank of Chicago?

Mr. DAVISON. Yes.

Mr. UNTERMYER. And he had been Comptroller of the Currency?

Mr. DAVISON. Yes.

Mr. UNTERMYER. He was a man of large experience in banking affairs?

Mr. DAVISON. Very.

Mr. UNTERMYER. A man of great experience. The next director is Granville A. Garth. Is he a young man?

Mr. DAVISON. It is all comparative. We thought he was and he thought he was.

Mr. UNTERMYER. About 50?

Mr. DAVISON. At that time I should say about 35.

Mr. UNTERMYER. The next man is Barton W. Hepburn, on that board?

Mr. DAVISON. Yes.

Mr. UNTERMYER. He was president of the Chase Bank?

Mr. DAVISON. I can see now that we were unduly modest. We thought we were young men. Put it that way; I will qualify it.

Mr. UNTERMYER. You thought you were all young men that had to be protected from promoters in the Street?

Mr. DAVISON. The question of age did not govern us in that regard.

Mr. UNTERMYER. Well, we will find out how much protection you

needed from promoters in the Street. Mr. Hepburn was a man of probably 60 years of age, around that?

Mr. DAVISON. I should say nearer 45.

Mr. UNTERMYER. A man of wide experience in the banking world?

Mr. DAVISON. That is also comparative.

Mr. UNTERMYER. You regarded him as a man of wide experience, did you not?

Mr. DAVISON. Pretty wide experience, I should say.

Mr. UNTERMYER. He was a director in the First National Bank?

Mr. DAVISON. I think not.

Mr. UNTERMYER. Not at that time?

Mr. DAVISON. I think not.

Mr. UNTERMYER. He was connected with other banking institutions?

Mr. DAVISON. My recollection is that he was vice president of the Chase National Bank.

Mr. UNTERMYER. William Logan. Do you remember him?

Mr. DAVISON. Yes.

Mr. UNTERMYER. He was the next director?

Mr. DAVISON. Yes.

Mr. UNTERMYER. He was in the Hanover Bank?

Mr. DAVISON. He was.

Mr. UNTERMYER. Mr. McGarrah. He was an important banking man, was he not?

Mr. DAVISON. We thought so.

Mr. UNTERMYER. He was president of the Leather Manufacturers' National Bank?

Mr. DAVISON. He was.

Mr. UNTERMYER. The next young man on the list was George W. Perkins. He was then a partner of J. P. Morgan & Co.?

Mr. DAVISON. He was.

Mr. UNTERMYER. He is among the men that needed protection from the promoters in the Street?

Mr. DAVISON. We felt so.

Mr. UNTERMYER. And William H. Porter is the next man. He was president of the Chemical Bank?

Mr. DAVISON. I think not; no.

Mr. UNTERMYER. Oh, yes he was.

Mr. DAVISON. I do not think so.

Mr. UNTERMYER. It states so.

Mr. DAVISON. He afterwards became president.

Mr. UNTERMYER. No; he was president in 1903, was he not?

Mr. DAVISON. I do not think so. If it states so he was, but I did not recall it. I am surprised if that is so.

Mr. UNTERMYER. I think Mr. Williams went out in 1902.

Mr. DAVISON. If he did, then Mr. Porter succeeded him.

Mr. UNTERMYER. That would refresh your memory, would it not?

Mr. DAVISON. Yes. I did not realize it was so late.

Mr. UNTERMYER. The next young man on the list is Daniel G. Reid.

Mr. DAVISON. Yes.

Mr. UNTERMYER. He is an inexperienced gentleman, who needed protection from promoters in the Street.

Mr. DAVISON. You are arguing the fact; I am stating our reasons.

Mr. UNTERMYER. What was his connection with the Liberty Bank at that time?

Mr. DAVISON. He was vice president of it.

Mr. UNTERMYER. Albert H. Wiggin was another of these gentlemen, was he not?

Mr. DAVISON. Yes.

Mr. UNTERMYER. He was vice president of the Park Bank at that time?

Mr. DAVISON. That is my recollection.

Mr. UNTERMYER. Mr. Edward F. C. Young was not a very young man, was he? He has died since, has he not?

Mr. DAVISON. Yes.

Mr. UNTERMYER. He was a very old man?

Mr. DAVISON. Mr. Young, I think, was over 60 at that time.

Mr. UNTERMYER. And Mr. Wolverton, president of the Gallatin National Bank?

Mr. DAVISON. I do not recollect. If it states so there on that paper, he was.

Mr. UNTERMYER. I want to call your attention to the last of these young men; that is, Mr. Robert Winsor, of Kidder, Peabody & Co. He was senior partner of Kidder, Peabody & Co., was he not?

Mr. DAVISON. I could not say as to that. He is the important partner of Kidder, Peabody & Co.

Mr. UNTERMYER. He is the important partner of Kidder, Peabody & Co. and one of the most experienced bankers in the country?

Mr. DAVISON. That is comparative, also.

Mr. UNTERMYER. He is an influential banker?

Mr. DAVISON. A very important man.

Mr. UNTERMYER. And it is a national banking house and an international banking house?

Mr. DAVISON. I should regard it as international.

Mr. UNTERMYER. These gentlemen were the participants in the stock; the stock was divided between them, was it not?

Mr. DAVISON. They participated in the issue of stock; yes.

Mr. UNTERMYER. Were there any other people concerned? Was the stock divided originally among the men who went on that board?

Mr. DAVISON. It was not.

Mr. UNTERMYER. Do you know the proportion of the stock they received?

Mr. DAVISON. Yes.

Mr. UNTERMYER. How much stock was represented by those directors?

Mr. DAVISON. Let me see. I can only—

Mr. UNTERMYER. If you do not remember, we will let it pass.

Mr. DAVISON. It was less than a majority; I am confident of that.

Mr. UNTERMYER. Who held the rest?

Mr. DAVISON. The stock was placed where it was thought it would do the most good.

Mr. UNTERMYER. Mr. Converse held a large part of it, did he not?

Mr. DAVISON. Not a large part; no.

Mr. UNTERMYER. Did he not?

Mr. DAVISON. No. We were a little bit modest in those days.

Mr. UNTERMYER. Look at the agreement [showing witness Exhibit 54, of Dec. 11, 1912] and the copies of the signatures and tell me if that does not refresh your memory so that you are able to say that the stock was held by the subscribers to the voting trust agreement?

Mr. DAVISON. I do not call that a very large holding. He held 390 shares, according to that statement.

Mr. UNTERMYER. That is a list of the stockholders, is it not?

Mr. DAVISON. I would not call this a satisfactory list of the stockholders to give you the information you are after.

Mr. UNTERMYER. If there is anything wrong about it, will you be good enough to supply a substitute list?

Mr. DAVISON. As of what date?

Mr. UNTERMYER. As of the date of the organization of the company.

Mr. DAVISON. This is a correct list as of the date of the organization of the company, I assume.

Mr. UNTERMYER. You mean the list of signatures in Exhibit 54?

Mr. DAVISON. I do not know exactly what that document is, but I should say if it served any purpose it served the purpose of showing who the stockholders were at that time.

Mr. UNTERMYER. That document, I see by the indorsement on the back, is a voting trust agreement which was delivered March 28, 1903. This is a copy of the indorsement of Mr. Thompson, the vice president.

Mr. DAVISON. You are familiar enough with documents of that kind to know what that conveys. There is a large block of stock there in the name of one individual, which means that that stock had not been definitely allotted or placed.

Mr. UNTERMYER. The stock was paid for, was it not, when this voting trust agreement was signed and the company was launched?

Mr. DAVISON. Undoubtedly.

Mr. UNTERMYER. Who were these promoters against whom these young men whose names I have given you were trying to protect themselves, of whom they were so fearful?

Mr. DAVISON. Do you think that is a fair question?

Mr. UNTERMYER. Would you prefer not to state?

Mr. DAVISON. I think it would be a little unfortunate to name the individuals here, whose names, however, have become very notorious. At the same time I am on the stand—

Mr. UNTERMYER. If you have any objection, we will pass it.

Mr. DAVISON. I have no objection except out of regard for the names. I will be very glad to name them to the committee privately.

Mr. UNTERMYER. When did this fear disappear, Mr. Davison?

Mr. DAVISON. Just as soon as the voting trust was created.

Mr. UNTERMYER. And when the voting trust expired five years later, did the fear revive?

Mr. DAVISON. It did not.

Mr. UNTERMYER. And when the voting trust expired again, did the fear revive?

Mr. DAVISON. My recollection is that the voting trust did not expire again, but it was renewed.

Mr. UNTERMYER. It was not renewed for a second time on the ground of any fear, was it?

Mr. DAVISON. None whatever.

Mr. UNTERMYER. The first renewal was on the expiration of the first voting trust?

Mr. DAVISON. Yes.

Mr. UNTERMYER. March 18, 1908?

Mr. DAVISON. That is right.

Mr. UNTERMYER. Then there was another voting trust March 9, 1912, for another five years?

Mr. DAVISON. Yes; that is right.

Mr. UNTERMYER. Who selected the first voting trustees?

Mr. DAVISON. Those who organized the company; that is my recollection. The stockholders; the board.

Mr. UNTERMYER. You were selected as one? Who selected Mr. Perkins?

Mr. DAVISON. The same ones who selected me.

Mr. UNTERMYER. Was there any one person who was more distinctive and more prominent in the organization of this company than another?

Mr. DAVISON. I should say not.

Mr. UNTERMYER. Who selected Mr. Reid as a voting trustee?

Mr. DAVISON. The same ones who selected the other two.

Mr. UNTERMYER. And he has continued voting trustee down to the present time?

Mr. DAVISON. Yes; he has.

Mr. UNTERMYER. With your consent?

Mr. DAVISON. Entirely.

Mr. UNTERMYER. When the voting trust was renewed in March, 1912, who put Mr. Case in in substitution of Mr. Perkins?

Mr. DAVISON. The matter was discussed by the members of the executive committee of the Bankers' Trust Co. I do not recall that it was taken up by the board; but the name of Mr. Case was suggested by the executive committee.

Mr. UNTERMYER. Was it your suggestion?

Mr. DAVISON. I do not recall. It may have been.

Mr. UNTERMYER. Mr. Case was then, or his firm was then, as they have been since, counsel for the company, were they not?

Mr. DAVISON. Yes, sir.

Mr. UNTERMYER. Has Mr. Case an interest in the company, a substantial interest?

Mr. DAVISON. I do not know how much of an interest.

Mr. UNTERMYER. What was the reason for continuing that voting trust in March, 1912, if there was any reason whatever for keeping the stockholders out of their voting rights?

Mr. DAVISON. Well, I am not sure that there was any reason—any reason that might be regarded as good and sufficient; I suppose the reason was it had been very popular, apparently, and there had never been any question about it; there was 100 per cent of the stock in, and everything had gone on very well, and in view of that, we thought we might as well continue it.

Mr. UNTERMYER. Did you, in any of your statements to the public in which you solicited deposits, give notice to the public or to depositors that the directors of this trust company were being named by three voting trustees; that all of the affairs of the company, as far

as concerned its ultimate control or management, were under the direction of three trustees?

Mr. DAVISON. No; we did not, Mr. Untermeyer, and for two reasons. One was that the voting trust of the Bankers' Trust Co. was never regarded by it as an important factor.

Mr. UNTERMYER. Why do you not dissolve it?

Mr. DAVISON. So far as I am concerned, I would be perfectly willing to dissolve it.

Mr. UNTERMYER. Are you willing to do that now, as to both of those trust companies?

Mr. DAVISON. I am perfectly willing to recommend it, if there is no particular reason for not doing so. I do not think they are serving any good purpose.

Mr. UNTERMYER. Let us see about that.

Mr. DAVISON. May I answer your question in this respect? The voting trustees as such have never had any more to do with the control or management of the Bankers' Trust Co. or the Guaranty Trust Co. than the Pujo committee.

Mr. UNTERMYER. We think the Pujo committee is having considerable to do with it.

Mr. DAVISON. I said "has had." Mine was entirely in the past. I am not predicting.

Mr. UNTERMYER. Of course, you understand that under the terms of these voting agreements they can be dissolved by two of the three voting trustees at any time?

Mr. DAVISON. I do understand it.

Mr. UNTERMYER. And you have no doubt about Mr. Case's vote in the Bankers' Trust if you want it dissolved?

Mr. DAVISON. I have great respect for Mr. Case's judgment. I have not put the question to him as to whether he would vote to dissolve it or not.

Mr. UNTERMYER. And as to Mr. Reid?

Mr. DAVISON. I have not discussed the matter with him.

Mr. UNTERMYER. In the Guaranty Trust your associates, voting trustees, are George F. Baker and Mr. Porter, are they not?

Mr. DAVISON. They are.

Mr. UNTERMYER. Have you any doubt about their consenting, if it is your judgment that it should be dissolved?

Mr. DAVISON. Well, Mr. Untermeyer, you are putting this rather suddenly to say that I am going to recommend—

Mr. UNTERMYER. That is not quite fair to say that this is being put suddenly, is it?

Mr. DAVISON. Yes; it is quite fair. I am quite aware of the prominence that this question of voting trusts has had in your mind, and that you would recommend that they be dissolved.

Mr. UNTERMYER. Now will you not let us get on with this inquiry?

Mr. DAVISON. I think we are getting on pretty rapidly.

Mr. UNTERMYER. If we had your consent to disband these two voting trusts, I think we would be making some progress.

Mr. DAVISON. I will make this statement—that, so far as I see, the voting trusts are to-day serving no purpose, and my belief is that on mature consideration I would recommend that the voting trusts of both the Bankers' Trust and the Guaranty Trust Co. be dissolved. An entire undue proportion has been given to that question.

Mr. UNTERMYER. Can you conceive of a useful purpose or just purpose or proper purpose that could ever be served by a voting trust of a financial institution enjoying a public charter?

Mr. DAVISON. Well, "could ever be served" is a pretty broad question.

Mr. UNTERMYER. Yes; and what is your answer?

Mr. DAVISON. My answer is that I can conceive of their serving a purpose; yes; and I can conceive of their serving a particular purpose under circumstances that might exist. Of course, it would depend upon the character of legislation that is had.

Mr. UNTERMYER. Suppose a body of men wanted to form an independent financial institution and keep it out of the control, we will say, of Morgan & Co. Then, you think a voting trust would serve a useful purpose?

Mr. DAVISON. If they were——

Mr. UNTERMYER. If they wanted to be independent of their domination.

Mr. DAVISON. That was the purpose of that voting trust of the Bankers' Trust Co.

Mr. UNTERMYER. Let us see about that. Was there any power in New York—or in America—at that time in the financial world more dominant than Morgan & Co.?

Mr. DAVISON. That is a pretty large question, also.

Mr. UNTERMYER. Was there any financial power, any banking house, more powerful than Morgan & Co. in the United States at that time?

Mr. DAVISON. I assume that it was the strongest financial house in the United States at that time; yes.

Mr. UNTERMYER. And this body of men, these directors together, represented the strongest and most important financial elements in the community?

Mr. DAVISON. No; they did not. They were individuals. If you will look at the facts just as they were, I would still go back to say that they were young men; the men who were active in this organization were young men who had their reputations to make in New York. They organized this institution and directed it in that way. Morgan & Co. were not in any way important in the organization of the company. Mr. Perkins was a member of the firm of Morgan & Co., but it was Mr. Perkins and not Morgan that was in that.

Mr. UNTERMYER. Do you adhere to the statement that these were young men who had their way to make in the world?

Mr. DAVISON. I adhere to the statement that the men who were active in the organization were——

Mr. UNTERMYER. I am talking about the board of directors.

Mr. DAVISON. I am talking about the men who organized it.

Mr. UNTERMYER. I am asking you whether in your judgment there was in the city of New York any body of men of that number quite as powerful financially, in the financial world, as that body, in numbers, man for man?

Mr. DAVISON. After it became completed, we thought it was about the best that could be put together.

Mr. UNTERMYER. The most powerful?

Mr. DAVISON. About the strongest that could be put together.

Mr. UNTERMYER. Then, that being so, under such conditions could there be any earthly useful purpose served by a voting trust of a financial institution that put forth to the country certain men, certain directors, when in fact they were being named year by year by three men whose names and power were not disclosed?

Mr. DAVISON. That itself is not a correct statement as to fact. The voting trust never named that board of directors.

Mr. UNTERMYER. Is it not a fact that the voting trust had the power to do it?

Mr. DAVISON. Yes, sir.

Mr. UNTERMYER. That fact you do think ought to have been made public?

Mr. DAVISON. I am not sure that it was not made public.

Mr. UNTERMYER. Do you not know it was not made public?

Mr. DAVISON. I do not. You put that question before.

Mr. UNTERMYER. Do you know whether it was or not?

Mr. DAVISON. I do not know whether it was or not; but I know positively that that voting trust of the Guaranty Trust Co. was very broadly advertised at that time.

Mr. UNTERMYER. It was never advertised in any of its statements of resources, statements that a depositor would see?

Mr. DAVISON. That I do not recall. I should suppose not.

Mr. UNTERMYER. I think we may pass that question on your statement that you will use your influence to get rid of these voting trusts.

Mr. DAVISON. I beg your pardon; I do not think I have committed myself quite that far.

Mr. UNTERMYER. How far have you gone?

Mr. DAVISON. I say that so far as my present judgment is concerned I see no particular advantage to either one of those institutions in the voting trust.

Mr. UNTERMYER. That is not it—

Mr. DAVISON. And I believe upon mature consideration that I will recommend, so far as my vote goes, that those voting trusts be dissolved; but I do not say definitely that I will.

Mr. UNTERMYER. You have hedged it considerably, Mr. Davison.

Mr. DAVISON. That is what I have said every time.

Mr. UNTERMYER. I want to know whether you are prepared to recommend the dissolution of those voting trusts.

Mr. DAVISON. I will answer you that I am not prepared to recommend the dissolution of those voting trusts, but I will qualify it by saying that I rather think I may, which is all I have said at any time.

Mr. UNTERMYER. The Southern Railway is operating under a voting trust, is it not?

Mr. DAVISON. I did not understand that it was. I know very little about the Southern Railway. I thought that voting trust had expired.

Mr. UNTERMYER. No; it has not.

Mr. DAVISON. I thought it had.

Mr. UNTERMYER. No; it has not. Are not Morgan & Co. the fiscal agents of the Southern Railway?

Mr. DAVISON. I do not think we are, officially. We are in fact.

Mr. UNTERMYER. Do you remember whether you are officially?

Mr. DAVISON. I do not think we are.

Mr. UNTERMYER. You do all their financial business, anyway?

Mr. DAVISON. No; I think not. I think we handle practically all of their securities.

Mr. UNTERMYER. That is what I mean when I say you do all their financial business. I do not mean to ask whether you pay their bills, but what I am trying to find out is whether you are their bankers and whether they have done all their issue and negotiation of securities through you?

Mr. DAVISON. Practically, they have, as I understand it.

Mr. UNTERMYER. Do you remember who the voting trustees are?

Mr. DAVISON. No; I hardly do, in view of the fact that I did not remember whether there was a voting trust.

Mr. UNTERMYER. This voting trust was established in 1894. The evidence shows that the trustees at that time were J. P. Morgan, George F. Baker, and Charles Lanier. Do you not know the securities that are dealt in are the voting-trust certificates, and that no stock is listed on the exchange?

Mr. DAVISON. I must insist I do not know.

Mr. UNTERMYER. Who is there in the firm of J. P. Morgan & Co. who knows anything about the Southern Railway?

Mr. DAVISON. I should say that Mr. Steele is the best informed as to that.

Mr. UNTERMYER. Who else is there? Mr. Steele is ill?

Mr. DAVISON. Yes; he is ill.

Mr. UNTERMYER. And he is not available here as a witness?

Mr. DAVISON. No; he is not.

Mr. UNTERMYER. I assumed that you knew. Who is there who knows about this Southern Railway situation?

Mr. DAVISON. If you will ask some questions I will try to answer them.

Mr. UNTERMYER. I have been asking them for some little time, and you have told me that you do not know. Now, you say you do not know whether the voting trust has been terminated or whether the voting-trust certificates are being dealt in on the stock exchange and listed or whether the stock is dealt in or listed. Am I right about that?

Mr. DAVISON. You are entirely right about that.

Mr. UNTERMYER. Do you know anything about the financial condition of the Southern Railway?

Mr. DAVISON. I think I do, in a general way.

Mr. UNTERMYER. Did you know the conditions under which the voting trust was created?

Mr. DAVISON. I did not.

Mr. LINDABURY. Mr. Untermyer, I think you asked me to produce that. We have got it here.

Mr. UNTERMYER. In this connection I would like to have marked in evidence the voting-trust agreement of October 15, 1894, an agreement with the voting trustees of the 27th of August, 1902, and the application to the committee on stock list of the New York Stock Exchange of October 6, 1902.

The papers referred to were marked, respectively, in the order in which they were named, "Exhibit 221, January 23, 1912," "Exhibit 222, January 23, 1913," and "Exhibit 223, January 23, 1913," and will be found printed following volume 25.

Mr. UNTERMYER. Do you recall that the voting trust of the Southern Railway was created incident to the reorganization of that company under the management of J. P. Morgan & Co. as syndicate managers?

Mr. DAVISON. I am sorry; I do not know about that.

Mr. UNTERMYER. Referring to voting-trust agreements and their efficacy, does it not occur to you that 19 years is a long time for a property to be under a voting trust?

Mr. DAVISON. I should think that depended very largely upon the result of the operation of the property.

Mr. UNTERMYER. Do you not think that when stockholders have been out of their right to vote for 19 years it is about time they recovered it?

Mr. DAVISON. I should think so, decidedly, if the stockholders thought so.

Mr. UNTERMYER. You know, do you not, that the stock in this corporation is very widely scattered?

Mr. DAVISON. Yes; I do.

Mr. UNTERMYER. And have you had some experience with the inertia of stockholders in the protection of their rights?

Mr. DAVISON. Not to any extent.

Mr. UNTERMYER. In all your financial experience have you ever known of the stockholders of any great corporation banding together and overturning the management, no matter whether it was good, bad, or indifferent?

Mr. DAVISON. Yes. I think there have been many instances.

Mr. UNTERMYER. I wish you would name any railroad corporation in the history of this country in which the stockholders have overturned the management.

Mr. DAVISON. I am not prepared to name them, because I do not recall one. I do not know of such a case, but I should be surprised if there had not been some such cases.

Mr. UNTERMYER. We are not interested in your surprise. What we are trying to get is the facts.

Can you recall any instance in the history of any great interstate industrial corporation of, we will say, \$10,000,000 or more in capital, in which the stockholders have ever changed the management?

Mr. DAVISON. I do not think it gets to the stockholders, Mr. Untermyer.

Mr. UNTERMYER. I do not think you understand my question.

Mr. DAVISON. Yes; I think I do. You asked me if I could recall one?

Mr. UNTERMYER. Yes; certainly.

Mr. DAVISON. I do not know that I can recall one.

Mr. UNTERMYER. Mr. Lindabury calls my attention to the controversy between Mr. Harriman and Mr. Stuyvesant Fish over the Illinois Central. You are familiar with that fight, are you not?

Mr. DAVISON. Yes; in a general way.

Mr. UNTERMYER. Mr. Harriman was in all the time, was he not?

Mr. DAVISON. I think the result showed that he was in pretty much all the time.

Mr. UNTERMYER. He was in all the time, and when Mr. Fish did not do what Mr. Harriman wanted, Mr. Harriman turned out Mr.

Fish. In other words, that was not a case of the stockholders turning out one management and putting in another?

Mr. DAVISON. I think that was largely a question of getting proxies.

Mr. UNTERMYER. Yes.

Mr. DAVISON. The stockholders never complain of good management, and bad management is controlled by the board of directors.

Mr. UNTERMYER. How are the stockholders ever to know whether the management is good or honest or efficient until they have changed it and found out what has been going on?

Mr. DAVISON. They are to know from the results as shown by the statements.

Mr. UNTERMYER. Then, they are to judge entirely by results? Judging by results, are you aware that the Southern Railway stockholders, the common stockholders and preferred stockholders, paid an assessment in order to get this stock in 1894 under the reorganization?

Mr. DAVISON. I am aware that if there had been any question on the matter of the management—

Mr. UNTERMYER. Will you not answer my question?

Mr. DAVISON (continuing). You would have heard from the stockholders.

The question was repeated by the stenographer.

Mr. DAVISON. I am not familiar with the details of the reorganization, but if you have it shown there—

Mr. UNTERMYER. Have they ever had a dividend since then on either class of stock?

Mr. DAVISON. I object to that question, because if that question and not my answer goes in the record—you know they have had a dividend.

Mr. UNTERMYER. Since 1894?

Mr. DAVISON. Yes, sir.

Mr. UNTERMYER. On the common stock.

Mr. DAVISON. You did not ask on the common stock.

Mr. UNTERMYER. That is the reason I am asking it now.

Mr. DAVISON. Yes; I see. I do not think a dividend has been paid upon the common stock.

Mr. UNTERMYER. Do you know what the assessment was that they paid on getting that common stock 19 years ago?

Mr. DAVISON. I do not.

Mr. UNTERMYER. During all that time have Messrs. Morgan, Baker, and Lanier remained the voting trustees?

Mr. DAVISON. From your statement, I assume they have.

Mr. UNTERMYER. Are J. P. Morgan & Co. also the bankers for the Atlantic Coast Line?

Mr. DAVISON. No.

Mr. UNTERMYER. Have you not issued securities for them?

Mr. DAVISON. Yes, sir.

Mr. UNTERMYER. Have they done any financing in the last five years except through your firm?

Mr. DAVISON. Who; the Atlantic Coast Line?

Mr. UNTERMYER. Yes.

Mr. DAVISON. I am not interested in that.

Mr. UNTERMYER. Since you have been with Morgan & Co. have they done any except through your firm?

Mr. DAVISON. I am not able to answer that. I would not be at all surprised if they have.

Mr. UNTERMYER. There you are again. We are not at all concerned with the question of whether you would be surprised, Mr. Davison.

Mr. DAVISON. Then I will say that in my judgment they may have.

Mr. UNTERMYER. That does not answer the question at all. Many things have been done. Do you know whether they have or not?

Mr. DAVISON. I do not know.

Mr. UNTERMYER. During that time, however, Morgan & Co. have financed a number of note and bond issues for them, have you not?

Mr. DAVISON. We have. You have a statement issued by us.

Mr. UNTERMYER. Yes. I call your attention to six such issues. Is that right?

Mr. DAVISON. Yes.

Mr. UNTERMYER. Beginning in September, 1902, and the last one being April 6, 1911. Have you a copy of this before you?

Mr. DAVISON. Yes.

Mr. UNTERMYER. Were the last two of these issues, one of \$4,500,000 consolidated fours in 1909, and the other \$3,000,000 of unified fours, April, 1911, done by your firm alone or in joint account?

Mr. DAVISON. We had associated with us in both those transactions the First National Bank and the National City Bank of New York.

Mr. UNTERMYER. Prior to that time the other four issues since 1902, including one of \$35,000,000, you had done alone, had you not?

Mr. DAVISON. Yes.

Mr. UNTERMYER. The Atlantic Coast Line is a competing line of the Southern Railway, is it not?

Mr. DAVISON. I understand it is, in some degree.

Mr. UNTERMYER. Do you not know that it is in a very essential degree? It is its principal competitor? The Atlantic Coast Line and the Seaboard Air Line and the Southern Railway are competitors?

Mr. DAVISON. Yes; I understand they are.

Mr. UNTERMYER. Do you not know that they are?

Mr. DAVISON. Yes; I know that they are. They are not at all points. That was the reason for my qualification.

Mr. UNTERMYER. You mean that over the thousands of miles that they travel they do not compete on every town and wayside inn; is that what you mean?

Mr. DAVISON. As you like.

Mr. UNTERMYER. But when I ask you whether they are competitors, you know what I mean, do you not?

Mr. DAVISON. Yes.

Mr. UNTERMYER. And you say they are substantial competitors?

Mr. DAVISON. Yes.

Mr. UNTERMYER. Is the Louisville & Nashville a competitor of the Southern Railway at certain points?

Mr. DAVISON. I am sorry that I am not entirely familiar with that Southern situation; but I assume that they are. My understanding is that they are.

Mr. UNTERMYER. And they were also competitors of the Atlantic Coast Line prior to the purchase?

Mr. DAVISON. That I can not testify to.

Mr. UNTERMYER. You do not remember as to that?

Mr. DAVISON. No.

Mr. UNTERMYER. You remember the occasion of that purchase by J. P. Morgan & Co. of Louisville & Nashville stock, do you not?

Mr. DAVISON. Yes; I do.

Mr. UNTERMYER. Do you remember in what year it was?

Mr. DAVISON. No; I do not recall.

Mr. UNTERMYER. 1907, was it not?

Mr. DAVISON. I think it was prior to that.

Mr. UNTERMYER. Was the First National Bank a member of the syndicate that made that purchase at the time you were with the First National?

Mr. DAVISON. I do not recall; I do not think so.

Mr. UNTERMYER. You remember, though, do you not, the fact that J. P. Morgan & Co. purchased that stock after Gates and his associates had gotten control?

Mr. DAVISON. Yes; I do.

Mr. UNTERMYER. And you remember their turning it over to the Atlantic Coast Line?

Mr. DAVISON. Generally speaking, I remember it; yes, sir.

Mr. UNTERMYER. Does it occur to you it was a proper or legitimate thing for the firm, being in the relation in which they stood to the Southern Railway, and that being under a holding trust of which Mr. Morgan and Mr. Baker were two of the members, that they should be buying a competing line and turning it over to a third competitor?

Mr. DAVISON. I see no impropriety in that transaction.

Mr. UNTERMYER. You do not?

Mr. DAVISON. Not the slightest.

Mr. UNTERMYER. Let us see about that. Suppose you were a trustee for a railroad. Do you think you would have a right to be supporting and strengthening its competitor, or to assist in doing so?

Mr. DAVISON. Yes.

Mr. UNTERMYER. You do?

Mr. DAVISON. I think it would be a very wise thing to do.

Mr. UNTERMYER. To strengthen a competitor?

Mr. DAVISON. I should think so.

Mr. UNTERMYER. Is that the principle on which your firm is doing business now?

Mr. DAVISON. Very frequently.

Mr. UNTERMYER. That is, strengthening your competitors?

Mr. DAVISON. Very frequently; or endeavoring to.

Mr. UNTERMYER. Endeavoring to strengthen you competitors?

Mr. DAVISON. Very frequently.

Mr. UNTERMYER. Is that what you call community interest?

Mr. DAVISON. No; I would not call it community interest.

Mr. UNTERMYER. Cooperation?

Mr. DAVISON. No; I would not call it that.

Mr. UNTERMYER. Is that what you would call competition—to strengthen your competitor?

Mr. DAVISON. No; I would not call it competition.

Mr. UNTERMYER. It weakens, in the proportion in which you strengthen that competitor, the competitive power of the interests you are supposed to protect?

Mr. DAVISON. Quite the reverse.

Mr. UNTERMYER. You think it strengthens both, do you?

Mr. DAVISON. I think it strengthens both.

Mr. UNTERMYER. So that you would see no impropriety, would you, in J. P. Morgan & Co. acting for all competing railroads of the United States and strengthening one and weakening another at any point that its judgment dictated?

Mr. DAVISON. That is quite a different question in subject than the one we are on. I did not say anything about weakening any of them, and, furthermore, it is a pretty large assumption to assume that J. P. Morgan & Co. were in control of all the railroads of the United States.

Mr. UNTERMYER. I suppose that the soundness of your proposition, which is rather surprising to me, may be fairly tested by an assumed case?

Mr. DAVISON. Yes.

Mr. UNTERMYER. And I am assuming that J. P. Morgan & Co. have succeeded up to date in getting all their competitors under their roof. Now, in all the railroad competition in the country, in that event—

Mr. DAVISON. I object to that assumption, Mr. Untermeyer.

Mr. UNTERMYER. Would you consider it a consistent position for them to occupy?

Mr. DAVISON. In the first place, I object to that assumption.

Mr. UNTERMYER. You understand my assumption is not claimed to be based on facts? It is an assumption.

Mr. DAVISON. Well, I do not think it is fair for you to make that assumption in public. It is not true.

Mr. UNTERMYER. It is pretty nearly true.

Mr. DAVISON. Not anywhere near true.

Mr. UNTERMYER. Let us see. Regardless of assumptions, would you consider it the proper thing for J. P. Morgan & Co. to assume to represent, we will say, all three of the competing railroads of the South, the Seaboard, the Atlantic Coast Line, and the Southern Railway?

Mr. DAVISON. I would, most decidedly.

Mr. UNTERMYER. You would?

Mr. DAVISON. Yes.

Mr. UNTERMYER. You think it could do justice to all of them?

Mr. DAVISON. I think so, most decidedly.

Mr. UNTERMYER. And you would consider it entirely proper that it should rest with them to say when one should extend and when another should not extend, or to furnish or withhold the money for that purpose?

Mr. DAVISON. I do not think it is proper for anybody to have that control, so as to say when one should extend and another should not.

Mr. UNTERMYER. Applying that same rule to other industrial business: Is it your judgment that there is no inconsistency, and would

be no inconsistency, in J. P. Morgan & Co. directing the policy, acting as bankers, for any two or more competing industrial concerns?

Mr. DAVISON. I think that is quite a different question.

Mr. UNTERMYER. You think that railroads stand on a different basis from industrials?

Mr. DAVISON. They do.

Mr. UNTERMYER. I see. Well, being a different question, will you answer it?

Mr. DAVISON. I would like to have the question repeated.

The stenographer repeated the question, as follows:

Is it your judgment that there is no inconsistency, and would be no inconsistency, in J. P. Morgan & Co. directing the policy, acting as bankers, for any two or more competing industrial concerns?

Mr. DAVISON. I can conceive that there might be an inconsistency in that, and I can also conceive of conditions where it might be beneficial and wise. I think that is a question that any individuals would have to determine as the case came up.

Mr. UNTERMYER. That is the best answer you can make, is it?

Mr. DAVISON. That is the best answer I can make.

Mr. UNTERMYER. When J. P. Morgan & Co. represent a parent concern like the United States Steel Corporation, and there is any financing to be done by a subsidiary of those companies, does it do the financing or does it direct that in some other quarter?

Mr. DAVISON. Generally speaking, I think it does not do the financing. The firm, since my connection with it, the records show, have done very little financing with subsidiary companies.

Mr. UNTERMYER. But where a subsidiary company requires financing, does the firm of J. P. Morgan & Co. do the financing itself, or does it turn it over to somebody else?

Mr. DAVISON. It does not do the turning of it over. That is in the hands of the finance committee, and maybe in the hands of the treasurer, and I am not familiar with the organization of the subsidiary companies. As we show here, we have handled some of the securities of some of the subsidiaries.

Mr. UNTERMYER. Most of them you have turned over, like the Illinois Steel and the Indiana Steel?

Mr. DAVISON. What do you mean by turning over?

Mr. UNTERMYER. I mean directed the business in other quarters.

Mr. DAVISON. No.

Mr. UNTERMYER. Are you sure about that?

Mr. DAVISON. Absolutely sure.

Mr. UNTERMYER. Have you done it yourself?

Mr. DAVISON. I think I have answered your question. In some cases; not to any large extent.

Mr. UNTERMYER. Do you not know that the directors of the subsidiaries of the Steel Corporation are named by the parent company?

Mr. DAVISON. I did not know that.

Mr. UNTERMYER. Do you know who names them?

Mr. DAVISON. I do not. I am not familiar with the organization of the subsidiary companies at all.

Mr. UNTERMYER. You are a director in the Steel Corporation, are you not?

Mr. DAVISON. I am not.

Mr. UNTERMYER. Which of the members of your firm are?

Mr. DAVISON. Mr. Morgan, sr., Mr. Morgan, jr., and Mr. Steele.

Mr. UNTERMYER. Are you not familiar with the conduct of the affairs of the Steel Corporation?

Mr. DAVISON. Only in a general way. I am not at all familiar with the conduct of the affairs of the subsidiaries.

Mr. UNTERMYER. But of the parent company you are?

Mr. DAVISON. In a general way.

Mr. UNTERMYER. You know that the parent company owns about 99 per cent of all the stock of the subsidiary companies, do you not?

Mr. DAVISON. I assume that is true.

Mr. UNTERMYER. You know that that involves effective control of the subsidiaries?

Mr. DAVISON. I suppose the control is practically complete.

Mr. UNTERMYER. You do not assume, then, that the subsidiaries act independently of the parent company, do you?

Mr. DAVISON. Well, they might act quite independently.

Mr. UNTERMYER. But is it possible that that would be the policy, to have them act independently, or would it be to have them act under responsibility to and subject to the approval of the parent company?

Mr. DAVISON. One would suppose they would act subject to the approval of the parent company, but I can not testify that they do, because I do not know.

Mr. UNTERMYER. Do you not know that under the terms of the agreement between the Steel Corporation and J. P. Morgan & Co., J. P. Morgan & Co. absolutely control the question of financing the Steel Corporation?

Mr. DAVISON. I do not.

Mr. UNTERMYER. Then do you consider it entirely proper, Mr. Davison, for J. P. Morgan & Co. to finance competitors of the Steel Corporation?

Mr. DAVISON. Oh, yes; I would consider it entirely proper.

Mr. UNTERMYER. They have done so, have they not?

Mr. DAVISON. I do not recall that they have.

Mr. UNTERMYER. You do not? Well, have you not done so recently?

Mr. DAVISON. If you have something in mind and will suggest it I will answer it. I do not recall that they have financed any competitor of the Steel Corporation.

Mr. UNTERMYER. They had nothing to do with the financing of any competitor of the Steel Corporation?

Mr. DAVISON. I do not recall any. If you have any in mind, I will tell you.

Mr. UNTERMYER. How about the Republic Iron & Steel Co.?

Mr. DAVISON. So far as I know, we have had no interest whatever in the financing.

Mr. UNTERMYER. You know they have been financed?

Mr. DAVISON. I know they have been financed.

Mr. UNTERMYER. Who did it?

Mr. DAVISON. What form of financing?

Mr. UNTERMYER. Any form of financing.

Mr. DAVISON. I am not familiar with it, but my impression is that Blair & Co. have acted as the important bankers of the Republic Iron & Steel.

Mr. UNTERMYER. You are not acquainted with any financing of the Republic Iron & Steel in which you were interested?

Mr. DAVISON. I know we were not interested in any financing of the Republic Iron & Steel.

Mr. UNTERMYER. In any way?

Mr. DAVISON. In any way.

Mr. UNTERMYER. Then you do not consider it proper to finance any competitors of the Steel Corporation?

Mr. DAVISON. Yes; I would consider it proper; highly proper.

Mr. UNTERMYER. But you have done none of it?

Mr. DAVISON. I do not recall that we have. I would say no, but I am not sure. My judgment is that we have done none of it; but there was no objection.

Mr. UNTERMYER. Did you discuss with Blair & Co. the subject of financing the Republic Iron & Steel?

Mr. DAVISON. We never discussed it with them or anybody else.

Mr. UNTERMYER. Do you know what the character of the financing was?

Mr. DAVISON. I do not.

Mr. UNTERMYER. Have you not loaned them money?

Mr. DAVISON. The Republic?

Mr. UNTERMYER. Yes.

Mr. DAVISON. No. I have stated that we have done nothing with that, or the financing of that, so far as my knowledge goes. May I ask my partner? I want to be positive about that.

Mr. UNTERMYER. Why, certainly.

Mr. DAVISON (after consultation). We have never done any.

The CHAIRMAN. The committee will be in recess until 2 o'clock.

At 1 o'clock p. m. a recess was taken until 2 o'clock p. m.

AFTER RECESS.

The subcommittee met pursuant to adjournment.

Mr. UNTERMYER. I want to read into the record in this hearing in connection with the Southern Railway Co. a letter from J. P. Morgan & Co. to William H. Granbury, the chairman of the committee on stock list of the New York Stock Exchange, dated March 19, 1903, to be marked "Exhibit No. 224," excluding the lead-pencil marks on the face of the exhibit.

The letter referred to was marked "Exhibit No. 224, January 23, 1913," and will be found printed in full in the record following volume 25.

Extracts from minutes of the committee on stock list were marked "Exhibit 225, January 23, 1913," and will be found printed in the record following volume 25.

An extract from communication of the agents of the voting trustees of the Southern Railway to the committee on stock list of the New York Stock Exchange was marked "Exhibit 226, January 23, 1913," and is as follows:

It is proper that we should call the attention of your committee to the fact that while so far as we are aware there is no dissent on the part of any trust

certificate holder from the proposed extension, many holders are deterred from having their certificates stamped or otherwise assenting to the extension for fear that by so doing their certificates will be debarred from quotation on the New York Stock Exchange. We would therefore respectfully urge upon your committee the desirability of prompt action upon this application.

TESTIMONY OF H. P. DAVISON—Continued.

Mr. UNTERMYER. In connection with this extension of the voting trust of the Southern Railway in October, 1902, and the proven fact of these exhibits shown by letter of J. P. Morgan & Co. of March 19, 1903, that there were 1,615,062 shares of stock that had assented to the extension of the voting trust, out of a total outstanding issue of 1,799,000 shares, will you tell us what is the effect of taking off the list a railway security of this character, on its loanability value and its salability?

Mr. DAVISON. Will you pardon me before I answer that—

Mr. UNTERMYER. Certainly.

Mr. DAVISON. To make a statement in regard to the Southern Railway Co., which was touched upon this morning.

Mr. UNTERMYER. Certainly.

Mr. DAVISON. My information is, which I have received during the recess, that no assessment was ever made upon the common stock of the Southern Railway. I think that is rather important. No cash assessment was ever made—

Mr. UNTERMYER. You mean that in the process of reorganization the reorganization plan did not provide for any assessment of the stock?

Mr. DAVISON. Neither then nor at any other time, and none was ever paid.

Mr. UNTERMYER. Have you here a copy of the plan?

Mr. DAVISON. I have not.

Mr. UNTERMYER. Well, do you know to what extent the old security holders received new securities?

Mr. DAVISON. I do not, and, as I said this morning, I am not at all familiar with this Southern Railway situation.

Mr. UNTERMYER. Do you know whether they received in the reorganization a small fraction or a large proportion of their original holdings?

Mr. DAVISON. I know nothing about that.

Mr. UNTERMYER. Will you supply to the committee the plan from which the facts can be accurately known?

Mr. DAVISON. I would be very glad to do so.

Mr. UNTERMYER. Will you now proceed to answer my question as to the effect of the striking of a security of that kind off the list?

Mr. DAVISON. I am afraid I will disappoint you. I am not at all familiar with the transaction or with that character of transaction. I have never had to do with it and I know nothing about it. I am not familiar with the details of the Stock Exchange, or how they are stricken from the list.

Mr. UNTERMYER. We do not seem to be able to find any banker in New York who knows anything about the Stock Exchange.

Mr. DAVISON. Well, they are pretty busy with their own business.

Mr. UNTERMYER. Let me ask you, in that connection, how many years you were in the First National Bank and the Liberty Bank?

Mr. DAVISON. I was in the Liberty Bank eight years.

Mr. UNTERMYER. And in the First National, how long?

Mr. DAVISON. Seven years.

Mr. UNTERMYER. Was the First National Bank a considerable loaner of money on the stock exchange?

Mr. DAVISON. A very large loaner of money at times.

Mr. UNTERMYER. And the Liberty Bank was a loaner at times?

Mr. DAVISON. At times.

Mr. UNTERMYER. While you were president?

Mr. DAVISON. While I was president.

Mr. UNTERMYER. In lending on the stock exchange on stock-exchange collateral would an officer of the bank generally be required to have a sort of a knowledge of the fact of whether a security is hurt or helped by being stricken from the list?

Mr. DAVISON. No; not at all necessarily so; no.

Mr. UNTERMYER. Your loans on the stock exchange were made only on stock-exchange collateral, were they not?

Mr. DAVISON. No; not altogether.

Mr. UNTERMYER. Principally?

Mr. DAVISON. Principally; yes.

Mr. UNTERMYER. Your loans at the stock-exchange stand are made entirely on stock-exchange collateral?

Mr. DAVISON. I think not. The loan may be made in the stock exchange, and I think the bank could require that none but listed securities be put in as collateral.

Mr. UNTERMYER. That is the rule with respect to a loan made in the stock exchange, on the floor of the exchange, from the loan stand, is it not?

Mr. DAVISON. I do not think it is the practice. Whether it is the rule or not, I do not know.

Mr. UNTERMYER. At any rate, I understand you to tell the committee that you do not know whether the striking of a security from the list affects its loanable value?

Mr. DAVISON. I beg your pardon; I did not say that I did not know whether it affects its loanable value.

Mr. UNTERMYER. Does it affect its value?

Mr. DAVISON. I should say it would depend altogether on circumstances.

Mr. UNTERMYER. Does it affect its value as collateral?

Mr. DAVISON. Very largely the value of collateral depends upon its market ability.

Mr. UNTERMYER. Does its market ability depend at all on the fact of whether it is listed on the stock exchange?

Mr. DAVISON. I should say that it does depend "at all" on it; yes. I do not think it is dependent entirely on it.

Mr. UNTERMYER. What is the use of a listing?

Mr. DAVISON. I think there are very many advantages in the listing of a stock.

Mr. UNTERMYER. What are they?

Mr. DAVISON. I did not believe you wanted to go into that field, because I am not familiar with it generally, but I should say one is the point you want to make; that it makes it more marketable, generally speaking.

Mr. UNTERMYER. And another is that it makes it more available as collateral?

Mr. DAVISON. That necessarily follows.

Mr. UNTERMYER. Do you not realize, Mr. Davison, that when J. P. Morgan & Co. made application to list the voting-trust certificates and subsequently the old certificates were stricken from the list it affected the marketability and the loanability of the old certificates?

Mr. DAVISON. I do not care to express an opinion upon that, Mr. Untermyer, because I know nothing about the circumstances. I do know that if any transaction was done at the request of J. P. Morgan & Co. the minority holders were protected, if they could protect them, because that is the policy of the house. That I know, and that is all I know.

Mr. UNTERMYER. That you know back in 1903, although you did not come into association with them until 1909?

Mr. DAVISON. Yes; I know that back for 55 years, which is 10 years older than I am.

Mr. UNTERMYER. You know that back 10 years before you were born?

Mr. DAVISON. I do.

Mr. UNTERMYER. I see. Why not go a little further?

Mr. DAVISON. Well, that was the beginning of the house. That is the reason.

Mr. UNTERMYER. In other words, you know that J. P. Morgan & Co. could do no wrong?

Mr. DAVISON. I know that J. P. Morgan & Co. could do no wrong if their endeavors and the circumstances permitted them to do as they wanted to do.

Mr. UNTERMYER. Let us take this concrete case. There were 174,000 shares of stock—voting-trust certificates representing stock—that appear from these papers which are in evidence, if I read rightly, to have been stricken from the list because they had not come in and consented to extend indefinitely this voting trust and to surrender indefinitely their right to vote in this company. Will you be good enough to tell me what good and sufficient reason there possibly could have been for disfranchising that stock because it would not consent to extend the power of these voting trustees and to resign its right to vote in the company?

Mr. DAVISON. I will not speculate on that question, because I do not know anything about it. I do not know the circumstances.

Mr. UNTERMYER. But you know that there could not have been anything wrong about it?

Mr. DAVISON. I did not say that, and I do not know that. I said there would not have been anything wrong if J. P. Morgan & Co. could have forestalled it and prevented it.

Mr. UNTERMYER. It looks wrong, does it not?

Mr. DAVISON. Not without knowing the facts.

Mr. UNTERMYER. I mean upon the facts stated that looks wrong, does it not?

Mr. DAVISON. I do not think the facts have been stated.

Mr. UNTERMYER. What other facts do you know that have not been stated?

Mr. DAVISON. I do not know any other facts that have not been stated.

Mr. UNTERMYER. What other facts do you think have not been stated?

Mr. DAVISON. A great many facts undoubtedly existed bearing upon that situation.

Mr. UNTERMYER. What are they? The papers are all in evidence—the application and the letter of J. P. Morgan & Co. What fact is there bearing upon that situation that you think justified you in saying that you do not think the facts have been stated?

Mr. DAVISON. I do not think that the facts in a subject of that kind can all be stated here. I do not know what they were.

Mr. UNTERMYER. Can you conceive of any situation or circumstances under which it would be proper or permissible to strike off the list shares representing 174,000 shares because they had not consented to resign to the voting trustees their rights as stockholders on an extension of the voting trust?

Mr. DAVISON. Are you correct in your number of shares? I thought you said 59,000 shares. However, I do not care to answer the question, because I do not know.

Mr. UNTERMYER. Let us see if I am correct, because here is the letter from J. P. Morgan & Co. Have you looked at it?

Mr. DAVISON. If you have stated it as it is stated there, you are correct.

Mr. UNTERMYER. Figure it yourself. You recognize that letter, do you not?

Mr. DAVISON (after examining letter). I do. That is, I recognize the signature.

Mr. UNTERMYER. J. P. Morgan?

Mr. DAVISON. J. P. Morgan & Co.

Mr. UNTERMYER. That is dated March, 1903, is it not?

Mr. DAVISON. March 19, 1903.

Mr. UNTERMYER. Will you be good enough to look at this history of the case from which I read that has been furnished by the New York Stock Exchange? This is Exhibit No. 225, January 23, 1913. From it I read as follows, as to listing of extending voting trust certificates:

On September 15, 1902, Mr. Charles Steele appeared before the committee on stock list in the matter of proposed extension of trust and listing of extension certificates.

Mr. Steele is Mr. Charles Steele, a member of your firm?

Mr. DAVISON. Yes.

Mr. UNTERMYER (reading):

The minutes of the committee on stock list show appearance of Mr. Steele in support of the application. Mr. Steele appeared again September 17, 1902. The application was considered. Mr. Steele appeared again September 29, 1902, in the matter of application; again October 6, 1912, in the matter of the application. The committee voted to report the application to the governing committee without recommendation. The extended voting trust certificates were listed by the governing committee October 2, 1902. The original voting trust certificates remained on the list until March 31, 1903. Letter of J. P. Morgan & Co., March 19, 1903, states assent to extension, preferred 540,095 shares out of 600,000 shares.

That leaves 59,905 shares of preferred?

Mr. DAVISON. Yes.

Mr. UNTERMYER. Common, 1,073,967 shares out of 1,199,000 shares, which leaves 125,033 shares.

Mr. DAVISON. Excuse me; as a matter of information may I ask what percentage of preferred and common stock were outstanding?

Mr. UNTERMYER. I have stated how much was outstanding; 59,000 and odd shares out of 600,000 shares, which is nearly 10 per cent, and 125,000 and odd out of 1,199,000 shares, which is about 11 per cent.

Mr. DAVISON. Yes.

Mr. UNTERMYER. That is a substantial holding, is it not?

Mr. DAVISON. Yes. Ten per cent is a substantial holding in any corporation.

Mr. UNTERMYER. You understand that people buy those securities when they are listed, on the faith of the fact that they are listed and that they are marketable and good as collateral, do you not? That helps in securing a market for them?

Mr. DAVISON. I should say that that might be a factor in their consideration of a purchase.

Mr. UNTERMYER. You do not think it is an important factor?

Mr. DAVISON. I do not think it is a governing factor.

Mr. UNTERMYER. In other words, you think that people would be just as likely to buy securities that are not listed and not good as collateral as though they were listed?

Mr. DAVISON. I have not said that. I did state that it was something of a factor, but I will also state that there are a great many people who sleep a great deal better when they own securities that are not listed.

Mr. UNTERMYER. Then why do you list them?

Mr. DAVISON. I do not list them.

Mr. UNTERMYER. To deprive people of their sleep?

Mr. DAVISON. I do not list them.

Mr. UNTERMYER. But why do you apply to have them listed and go before the committee and urge them to be listed?

Mr. DAVISON. It is a very clear case. It is to the advantage of a security to be listed.

Mr. UNTERMYER. To its advantage?

Mr. DAVISON. Certainly it is.

Mr. UNTERMYER. Why do you say that people sleep better when they are not listed?

Mr. DAVISON. Because then people do not see their stocks go down overnight.

Mr. UNTERMYER. They never see them go up?

Mr. DAVISON. They never care whether they go up, if they get their dividends.

Mr. UNTERMYER. So that people who buy stocks do not care whether they rise in value or not; is that your idea?

Mr. DAVISON. I did not say that. I said they rest better.

Mr. UNTERMYER. They rest better when they go up?

These voting trust certificates, the old certificates, were stricken off the list following the letter of March 19, 1903, from J. P. Morgan & Co., and I ask you whether you think that is a defensible thing.

Mr. DAVISON. I will answer you, that I think it is a most defensible thing. I do not know why the house did it, but if the house did it, it is most defensible.

Mr. UNTERMYER. I have not said the house did it, but the stock exchange did it.

Mr. DAVISON. I know nothing about that thing; but you were stating that the house applied to have it done.

Mr. UNTERMYER. No; I did not.

Mr. DAVISON. I beg your pardon; I thought you did.

Mr. UNTERMYER. I have stated that the house wrote a letter. You have seen that letter?

Mr. DAVISON. Yes.

Mr. UNTERMYER. And I have said that 12 days after the house wrote that letter, the governing committee of the stock exchange took those old certificates off the list.

Mr. DAVISON. Yes.

Mr. UNTERMYER. With that large number outstanding; and I ask you, from your knowledge of banking, whether that is a defensible thing to do?

Mr. DAVISON. I decline to express an opinion upon that subject, because I do not know the facts.

Mr. UNTERMYER. All right. You are a member of the Metropolitan Club in New York, are you not?

Mr. DAVISON. I am.

Mr. UNTERMYER. Is Mr. Hine a member of that club?

Mr. DAVISON. We do not control that, too, do we? Yes; I think he is. I have seen him there.

Mr. UNTERMYER. I would not be surprised if you did.

Mr. DAVISON. I would not be, either, if two of us belonged to it.

Mr. UNTERMYER. Were you in the habit of having meetings on Thursday afternoons at 4 o'clock at the Metropolitan Club with Mr. Hine of the First National Bank, Mr. Strong of the Bankers' Trust, and Mr. Sabin of the Guaranty Trust?

Mr. DAVISON. Well, supposing—

Mr. UNTERMYER. Will you not answer my question?

Mr. DAVISON. Supposing that were true, how would that bear upon this inquiry?

Mr. UNTERMYER. Will you not answer my question?

Mr. DAVISON. I think my question is a fair one. How does that bear on this inquiry?

Mr. UNTERMYER. We will see in a minute.

Mr. DAVISON. Do you insist upon an answer to that question?

Mr. UNTERMYER. Yes.

Mr. DAVISON. Well, I was not.

Mr. UNTERMYER. Then you had no such meetings on Thursday afternoons at 4 o'clock?

Mr. DAVISON. I have answered; I had not.

Mr. UNTERMYER. Is it or not the fact that on Thursday afternoons at 4 o'clock there met at the Metropolitan Club, weekly, for quite a time, the representatives of half a dozen or more banks in New York, and there discussed matters of business at those meetings?

Mr. DAVISON. Will you put that question again, please? [The question was read by the stenographer.] How do you suppose I can answer that question?

Mr. UNTERMYER. Can you answer it? Do not ask me questions just now. I am asking them of you.

Mr. DAVISON. Do you mean that you ask me whether representatives of a half a dozen banks in New York met at the Metropolitan Club at 4 o'clock on Thursday afternoons?

Mr. UNTERMYER. Mr. Davison, I think you understand my question perfectly.

Mr. DAVISON. I do; but I am not going to be responsible for what other men did. I will answer that question. No; there never was any such meeting in the world, so far as I know. I never attended one and there was never any such meeting. There is no foundation for the question.

Mr. UNTERMYER. That is what I want to know.

Mr. DAVISON. I can not answer—

Mr. UNTERMYER. My question is based upon information.

Mr. DAVISON. My answer is based upon very particular information, so far as I am concerned.

Mr. UNTERMYER. You do not know of any such meetings?

Mr. DAVISON. Never.

Mr. UNTERMYER. Yes; that answers it. The Illinois Steel Co., I think you said, is a subsidiary of the United States Steel Corporation?

Mr. DAVISON. Yes.

Mr. UNTERMYER. Did they finance a debenture issue in 1911?

Mr. DAVISON. They did. That is my recollection, that they did.

Mr. UNTERMYER. What was the amount issued?

Mr. DAVISON. I think it was ten millions.

Mr. UNTERMYER. Was it not five millions?

Mr. DAVISON. Five millions.

Mr. UNTERMYER. Was that done by authority of the finance committee of the Steel Corporation?

Mr. DAVISON. I assume it was. I know nothing about it.

Mr. UNTERMYER. That issue was financed by Kissel-Kinnicutt and Lee, Higginson & Co., was it not?

Mr. DAVISON. It was not, so far as I know.

Mr. UNTERMYER. By whom was it financed?

Mr. DAVISON. I think, Mr. Untermyer, we have made a statement in regard to that.

Mr. UNTERMYER. You are referring to a different issue. I have before me the statement of Lee, Higginson & Co., of the Illinois Steel Co. Am I right about that? Was there a \$5,000,000 issue in July, 1911?

Mr. LINDABURY. You do not mind Mr. Lamont speaking to Mr. Davison about it?

Mr. UNTERMYER. No; I am not referring now to a \$10,000,000 issue of that company that was made through J. P. Morgan & Co. and the First National Bank in June, 1911.

Mr. DAVISON. Is that under the United States Steel?

Mr. UNTERMYER. No; that is under Illinois Steel. That is not in your statement at all.

Mr. DAVISON. Then I know nothing about it.

Mr. UNTERMYER. I am referring to an issue in July, 1911, of 4½ per cent debenture bonds due April 1, 1940, \$5,000,000. Was that a part of the \$10,000,000 issue that was made by J. P. Morgan & Co.

and the First National Bank, that was bought by Kissel-Kinnicutt and Lee, Higginson & Co.?

Mr. DAVISON. I do not know, but if it were shown me——

Mr. UNTERMYER. Here is Lee, Higginson & Co.'s statement [handing paper to witness].

Mr. DAVISON. I am sorry, Mr. Untermeyer, but I do not know about that. Will you tell me whether that is the date?

Mr. UNTERMYER. That is approximately the date of the \$10,000,000 issue made by you and the First National, and I think it is part of the same issue.

Mr. DAVISON. I should presume that a proper answer to that is that we purchased \$10,000,000 of the bonds of the Illinois Steel Co., and sold them to Lee, Higginson & Co. and associates.

Mr. UNTERMYER. You sold five million of them to Lee, Higginson & Co. and associates?

Mr. DAVISON. I do not know, but I assume if that is about the same date, it is so.

Mr. UNTERMYER. When you buy bonds from the United States Steel Corporation or its subsidiaries, with whom do you deal in fixing the price?

Mr. DAVISON. We deal with the sellers of the bonds.

Mr. UNTERMYER. With whom; Mr. Gary?

Mr. DAVISON. I have never conducted a transaction myself. I assume that the transaction would be with Judge Gary.

Mr. UNTERMYER. Who conducts those transactions on behalf of your firm?

Mr. DAVISON. Since I have been a member of the firm there have been very few of those transactions conducted.

Mr. UNTERMYER. Who conducts such as there have been? Here is one of \$10,000,000 in 1911, and I am going to call your attention to some more. Which member of your firm conducts those transactions on the part of the purchaser, when your house is the purchaser of those bonds?

Mr. DAVISON. I do not know. I presume Mr. Morgan, jr., conducted the transactions; I am not sure.

Mr. UNTERMYER. Here is another transaction, March 26, 1912.

Mr. DAVISON. Are you reading from Lee, Higginson & Co.'s report?

Mr. UNTERMYER. I am reading now from yours; the last transaction—the last one in the book. The United States Steel Corporation purchased from corporations fifteen millions of the Indiana Steel Co.'s first fives, ten million of the National Tube Co.'s first fives, five and a half millions of the Illinois Steel Co.'s 4½ debentures. Associates, First National and National City Bank. Who made that transaction, amounting to over thirty millions, with the Steel Corporation?

Mr. DAVISON. I am not able to answer that for the reason that I was out of the country at that time.

Mr. UNTERMYER. There is no doubt about the fact, is there, that J. P. Morgan & Co. did buy that thirty million and odd dollars of bonds from the steel company in 1912?

Mr. DAVISON. I do not think there is the slightest doubt about it. We rendered a statement to that effect.

Mr. UNTERMYER. What the committee is trying to find out is between whom that sort of trade was made; who fixed the price of the bonds?

Mr. DAVISON. You can assume that it was made with any partner that best serves your purpose; I do not know.

Mr. UNTERMYER. With whom was it conducted on the other side?

Mr. DAVISON. I do not know; but undoubtedly with Judge Gary. He is chairman of the finance committee, and I presume he would be the man connected with the transaction.

Mr. UNTERMYER. There was no competition for the bonds, was there?

Mr. DAVISON. I am not familiar with that particular transaction.

Mr. UNTERMYER. Have you ever known of any competition with J. P. Morgan & Co. for steel bonds purchased?

Mr. DAVISON. Yes.

Mr. UNTERMYER. When?

Mr. DAVISON. I can not give you the date.

Mr. UNTERMYER. When?

Mr. DAVISON. Two or three years ago.

Mr. UNTERMYER. What issue was that, made two or three years ago, for which there was competition with J. P. Morgan & Co.? Please take your book and point it out.

Mr. DAVISON. Unfortunately I can not point it out from this book; it is not in it. We did not get the bonds.

Mr. UNTERMYER. Who got them?

Mr. DAVISON. William A. Read.

Mr. UNTERMYER. What bonds were they?

Mr. DAVISON. I do not recall the corporate title of them, but they were bonds of subsidiary companies of the United States Steel Corporation.

Mr. UNTERMYER. How large an issue?

Mr. DAVISON. I am guessing now, but I should think ten millions or fifteen millions.

Mr. UNTERMYER. Will you not give us the details?

Mr. DAVISON. What do you mean?

Mr. UNTERMYER. Furnish us with the data.

Mr. DAVISON. No; I have not the data.

Mr. UNTERMYER. You can furnish the data, can you not?

Mr. DAVISON. I can get the data from Mr. Read. He will give it to you.

Mr. UNTERMYER. Can you not get the data from the steel corporation?

Mr. DAVISON. I do not know. We can not any better than you can.

Mr. UNTERMYER. You can not any better than we can?

Mr. DAVISON. No; not from the steel corporation.

Mr. UNTERMYER. J. P. Morgan & Co. have no more facilities for getting data from the steel corporation than this committee.

Mr. DAVISON. No man living can get the statistics that you have got.

Mr. UNTERMYER. Will you not answer that question?

Mr. DAVISON. I have answered it. We have not as good facilities.

Mr. UNTERMYER. You have not as good facilities as this committee for getting data from the United States Steel Corporation?

Mr. DAVISON. No, sir; we have not.

Mr. UNTERMYER. How many members of the firm of J. P. Morgan & Co. are there on the board of directors of the steel corporation?

Mr. DAVISON. Three, I think.

Mr. UNTERMYER. How many are on the finance committee?

Mr. DAVISON. One.

Mr. UNTERMYER. Who is that?

Mr. DAVISON. Mr. Morgan, jr.

Mr. UNTERMYER. As to these issues that were made in 1912 which were bought by J. P. Morgan & Co., should you know whether there was any competition?

Mr. DAVISON. Well, Judge Gary would know, and I think he is the only man. I think it is very fair to assume that there was no competition for them.

Mr. UNTERMYER. Why not?

Mr. DAVISON. Now, I am assuming.

Mr. UNTERMYER. I think we had better not get into that realm. It is a bad habit.

Mr. DAVISON. All right. I can not answer from definite knowledge because I was not here.

Mr. UNTERMYER. Are you assuming also with respect to the transactions with William A. Read & Co.?

Mr. DAVISON. No.

Mr. UNTERMYER. But you can not tell us the year?

Mr. LINDABURY. If the committee desires, I will give it.

Mr. UNTERMYER. Just a moment.

Mr. DAVISON. I can not tell you just the year, but it is public information. I can get it; I will swear to that.

Mr. UNTERMYER. How do you know that nobody competed with Messrs. Morgan or that the Messrs. Morgan offered to buy the bonds?

Mr. DAVISON. Well, I assume—but I am not allowed to assume. I can not answer that without assuming, because I was not in the transaction myself; but I do know that the bonds went to W. A. Read & Co.

Mr. UNTERMYER. Do you know whether or not J. P. Morgan & Co. bid for them or offered to buy them?

Mr. DAVISON. From my definite knowledge I do not know.

Mr. UNTERMYER. Do you know who conducted the transaction with Read & Co.?

Mr. DAVISON. I do not.

Mr. UNTERMYER. Do you know whether they got them through Messrs. Morgan & Co.?

Mr. DAVISON. I do.

Mr. UNTERMYER. That you know?

Mr. DAVISON. That I know.

Mr. UNTERMYER. You say you do not know with whom they dealt?

Mr. DAVISON. I do not know.

Mr. UNTERMYER. You were the bankers—your firm—for the United States Steel Corporation?

Mr. DAVISON. Yes; we were the fiscal agents.

Mr. UNTERMYER. And you were bankers and fiscal agents for the subsidiary companies?

Mr. DAVISON. No.

Mr. UNTERMYER. You did not bank for the subsidiaries?

Mr. DAVISON. Not so far as I know. We are not fiscal agents. I do not know.

Mr. UNTERMYER. You are the bankers, are you not?

Mr. DAVISON. You have a list. I think we may have the accounts of three or four of their subsidiaries: but not generally, no. You did not ask, but I would like to say that Read & Co. did not get those bonds through J. P. Morgan & Co.

Mr. UNTERMYER. How do you know that?

Mr. DAVISON. I know that enough to make a statement.

Mr. UNTERMYER. How do you know it? I want to know where you get your knowledge and information?

Mr. DAVISON. Because I have told you that J. P. Morgan & Co. did not get those bonds.

Mr. UNTERMYER. You have also told us that you do not know whether they ever wanted them or bid for them.

Mr. DAVISON. Who never wanted them?

Mr. UNTERMYER. J. P. Morgan & Co.

Mr. DAVISON. No; I did not tell you that.

Mr. UNTERMYER. Have you not told us they never bid for them?

Mr. DAVISON. I think I did tell you that I did not know.

Mr. UNTERMYER. Now, then, not knowing whether they ever bid for them or endeavored to get them, I want to know in what way you have the knowledge as to how Read got them. Was it through J. P. Morgan & Co. or not?

Mr. DAVISON. Because I know that if J. P. Morgan & Co. had purchased those bonds they would have handled them in a different way and would not have sold them to Read & Co.

Mr. UNTERMYER. The question was not whether J. P. Morgan & Co. had purchased them. The question was whether J. P. Morgan & Co., acting for a subsidiary of the steel company, sold those bonds to Read & Co.?

Mr. DAVISON. My answer is no; they did not.

Mr. UNTERMYER. But you do not know who did sell them?

Mr. DAVISON. I do not know. I do not even know the name of the corporation.

Mr. UNTERMYER. Nor the time of it?

Mr. DAVISON. Nor the time of it.

Mr. UNTERMYER. We will take up the next issue here. Illinois Steel Co. debenture $4\frac{1}{2}$ per cent bonds, April, 1912. I think that is part of that same issue of March, by Kissell-Kinnicut and Lee, Higginson & Co. generally.

Mr. DAVISON. I think that is the same you referred to before.

Mr. UNTERMYER. I think that is another transaction.

Mr. DAVISON. There is no record of any other transaction here.

Mr. UNTERMYER. Yes; there is one transaction; Illinois Steel Co., \$5,000,000 debenture four-and-one-halves, bought by Kissell-Kinnicut and Lee, Higginson & Co., July 11, which is the one heretofore referred to.

Mr. DAVISON. Yes.

Mr. UNTERMYER. This in another. April, 1912: Five and one-half million Illinois Steel Co. $4\frac{1}{2}$ per cent debentures.

Mr. DAVISON. Yes; that is correct.

Mr. UNTERMYER. Bought by Kissell-Kinnicut and Lee, Higginson & Co. From whom did they buy those?

Mr. DAVISON. They bought those from J. P. Morgan & Co.

Mr. UNTERMYER. And J. P. Morgan & Co. had bought them from the Illinois Steel Co.?

Mr. DAVISON. Undoubtedly.

Mr. UNTERMYER. And resold them?

Mr. DAVISON. And resold them.

Mr. UNTERMYER. Immediately?

Mr. DAVISON. The date you give there——

Mr. UNTERMYER. Is April.

Mr. DAVISON. We purchased them on the 26th of March, 1912; and they were resold, you say, April 11?

Mr. UNTERMYER. No; I think it says April 1 here. It says April, 1912. How long after you bought them did you sell them?

Mr. DAVISON. The difference between March 26 and the date you have there.

Mr. UNTERMYER. I have not the date, except April, 1912.

Mr. DAVISON. Then you will have to assume a date.

Mr. UNTERMYER. Of course, I suppose, when you resold the bonds you made a profit?

Mr. DAVISON. I hope so.

Mr. UNTERMYER. Having the relations you had with the United States Steel Corporation, what occasion was there for buying those bonds and selling them to Kissell-Kinnicut and Lee-Higginson, and making an intermediate profit, instead of selling them direct for the Steel Corporation?

Mr. DAVISON. What do you mean by the relations that we had with them, Mr. Untermyer?

Mr. UNTERMYER. I mean your relations with the Steel Corporation, such as they are?

Mr. DAVISON. You refer to our being fiscal agents of the Steel Corporation?

Mr. UNTERMYER. No; I refer to the fact of your relations to that company, Mr. Davison; for instance, the fact that you were responsible for its organization.

Mr. DAVISON. Yes.

Mr. UNTERMYER. That three of your partners were on the board, that one was on the executive committee, and that you were the fiscal agents for that company.

Mr. DAVISON. Yes.

Mr. UNTERMYER. Now, having, in answer to your question, explained what I mean by the relations, I will ask you to answer the question.

Mr. DAVISON. You state that our relations are those of fiscal agents?

Mr. UNTERMYER. Yes.

Mr. DAVISON. Why should not they sell them to their fiscal agents?

Mr. UNTERMYER. I ask you why you should not have sold them directly for the company instead of making an intermediate profit.

Mr. DAVISON. Why should we sell them direct for the company? We are the fiscal agents for the company and render them a service and are properly compensated for that service.

Mr. UNTERMYER. That is all you want to say about it, is it?

Mr. DAVISON. That is quite enough to satisfy me.

Mr. UNTERMYER. And that is all you want to say. Now, the next issue seems to be the Indiana Steel Co. That is a subsidiary, too, is it not?

Mr. DAVISON. Yes; that is a subsidiary.

Mr. UNTERMYER. Did J. P. Morgan & Co., in that case in April, 1912, give a participation to Kissell-Kinnicutt and Lee-Higginson of \$5,000,000 in that \$10,000,000 issue?

Mr. DAVISON. It was a \$15,000,000 issue, was it not?

Mr. UNTERMYER. Yes; \$15,000,000.

Mr. DAVISON. I can not answer that from definite knowledge I have here. Have you it on the record? If you have it on the record you have there—if it shows it—we did; yes.

Mr. UNTERMYER. Did your firm have anything to do with an issue of bonds made by the Jones & Laughlin Steel Co. in June, 1911?

Mr. DAVISON. Not to my recollection, and I believe we did not have anything to do with such an issue.

Mr. UNTERMYER. Do you remember its being made through the Illinois Trust & Savings Bank of Chicago?

Mr. DAVISON. I have an indistinct recollection of such a transaction.

Mr. UNTERMYER. Were you underwriters?

Mr. DAVISON. To the best of my knowledge we were not. I have no recollection of it.

Mr. UNTERMYER. Do you remember whether you were or not?

Mr. DAVISON. I think we were not; I do not remember. If you will permit me to ask my partner, Mr. Lamont—

Mr. UNTERMYER. Certainly.

Mr. DAVISON (to Mr. Lamont). Do you remember?

Mr. LAMONT. I have no recollection of it.

Mr. UNTERMYER. Your answer is "no"?

Mr. DAVISON. To the best of my recollection, the answer is "no."

Mr. UNTERMYER. Is the Kanawha & Michigan a subsidiary corporation or controlled corporation of the Hocking Valley?

Mr. DAVISON. Their relations are very intimate; I am not familiar with just what they are, but I think that is true.

Mr. UNTERMYER. Does your firm have any list of individuals, partnerships, or corporations, or of all of them, from which they select those to whom they want to offer participations in their syndicates?

Mr. DAVISON. We do not. I would like to get that on the record.

Mr. UNTERMYER. You seem pleased when you are able to get anything on the record.

Mr. DAVISON. I beg your pardon—

Mr. UNTERMYER. You do offer participations, do you not?

Mr. DAVISON. Oh, yes.

Mr. UNTERMYER. Do you make up a separate list for each participation?

Mr. DAVISON. Yes; generally speaking.

Mr. UNTERMYER. Do you make it up from any list you have in the office?

Mr. DAVISON. If we were to underwrite a security which we had had an underwriting of—the same security at a previous time—we would have a list of those who subscribed, and we would take out that list to consider them first.

Mr. UNTERMYER. And you have a list of your underwriters, or those to whom you allow participation, in each transaction that you conduct or have conducted?

Mr. DAVISON. We have in our records the result of our operation, and that would include a list of those who participated.

Mr. UNTERMYER. Suppose you are making a new issue—that is, an issue of a company for which you have made no preceding issue—how do you make up a list of those whom you are going to permit or invite to participate?

Mr. DAVISON. It would depend largely upon the character of the security and the size of the issue.

Mr. UNTERMYER. From what would you make it up—from memory?

Mr. DAVISON. Yes; very largely from memory; from those with whom we were intimate, or had had transactions in other securities.

Mr. UNTERMYER. Largely from memory, and from what other sources?

Mr. DAVISON. Largely memory, and from our experience with various underwriters.

Mr. UNTERMYER. You mean gathered from your records?

Mr. DAVISON. Yes; more or less.

Mr. UNTERMYER. So you would consult the lists you had in inviting other people to participate?

Mr. DAVISON. No. You want to make the point that we have a list. Now, we have no such list—

Mr. UNTERMYER. We are not making points, Mr. Davison; we are asking questions. I would like that clearly understood. Let us take an illustration. Let us take, for instance, the subway transaction, in which you are now engaged. That is a proposed bond issue of \$170,000,000?

Mr. DAVISON. Yes.

Mr. UNTERMYER. Have there been allotments already made?

Mr. DAVISON. Yes.

Mr. UNTERMYER. How many allotments have been made?

Mr. DAVISON. In number?

Mr. UNTERMYER. Yes; what is the number?

Mr. DAVISON. If I stated I would be guessing. It is a very large list; it is a very large undertaking. It is a pure guess, but I would say perhaps 100 or 125.

Mr. UNTERMYER. Have you partners in the enterprise?

Mr. DAVISON. Yes; we have partners in the enterprise.

Mr. UNTERMYER. The First National?

Mr. DAVISON. The First National Bank and the National City Bank.

Mr. UNTERMYER. Are these banks and trust companies also participants?

Mr. DAVISON. What banks and trust companies?

Mr. UNTERMYER. The Guaranty and the Bankers Trust?

Mr. DAVISON. Yes.

Mr. UNTERMYER. And the Astor Trust and the Liberty Trust?

Mr. DAVISON. I think the Astor is. I have no doubt the Astor is.

Mr. UNTERMYER. And the Bank of Commerce?

Mr. DAVISON. Yes. And the Central Trust. Well, I will not say the Central Trust. I will withdraw that because I do not know.

Mr. UNTERMYER. You thought that you would say it because it is not in your circle?

Mr. DAVISON. You are crediting me with a very good idea.

Mr. UNTERMYER. But you take it back?

Mr. DAVISON. I take it back because I do not know.

Mr. UNTERMYER. I wanted the banks and trust companies in your circle.

Mr. DAVISON. I wondered if it would not be fair to ask about some that are not in the circle, as you term it.

Mr. UNTERMYER. Take the list of the banks with which you deposit money. I have the list here. You have most of them in that already. The American Exchange Bank, Mr. Clark's bank, is a participant, is it not?

Mr. DAVISON. I will not guess on these, because I do not know. I do not recall. Undoubtedly they are. I hope so.

Mr. UNTERMYER. Can you give us any idea of the number of banks and trust companies that are participants in that syndicate? I am using that as an illustrative case, although I understand it is a large issue, and there are more participants.

Mr. DAVISON. That syndicate covers a very broad territory. I think it takes in institutions——

Mr. UNTERMYER. Does it take in Boston?

Mr. DAVISON. Yes.

Mr. UNTERMYER. Does it take in Lee, Higginson & Co.?

Mr. DAVISON. Yes.

Mr. UNTERMYER. And Kidder, Peabody & Co.?

Mr. DAVISON. I am not sure.

Mr. UNTERMYER. It takes in the Illinois Trust & Savings Bank of Chicago?

Mr. DAVISON. I am not sure.

Mr. UNTERMYER. And the First National Bank?

Mr. DAVISON. I must decline to guess on those, because I do not recall; but I will say that it covers a wide territory. We have gone West, I think, in that, and South; but there is a very large interest in that in Europe.

Mr. UNTERMYER. Have you the underwriting for the City Bank and the First National, or do they do their own? Is it one underwriting, or does each one of the three partners do its own share?

Mr. DAVISON. It happens that I was in Europe when that was fixed up—that is, when the underwriting itself was done and when the arrangements were made—so I can not tell you just the circumstances. I can give you any information generally about it.

Mr. UNTERMYER. But you do not know whether the entire \$170,000,000 of bonds was underwritten by these three concerns—yourselves, the First National and the National City—under one underwriting, or whether each one took its own underwriting?

Mr. DAVISON. Probably under one underwriting, by consulting; they probably sat around a table and——

Mr. UNTERMYER. Can you tell how many banks and trust companies are participants in that deal, approximately?

Mr. DAVISON. I am sorry I am not familiar enough with the list to know, because, as I said, I was in Europe when that was done, and I do not know.

Mr. UNTERMYER. Kuhn, Loeb & Co. are underwriting the Brooklyn Rapid Transit end of that deal, are they not? That is an entirely different thing?

Mr. DAVISON. It is an entirely separate transaction.

Mr. UNTERMYER. But that is the Brooklyn end of it and this is the New York end?

Mr. DAVISON. No; it is the Brooklyn Rapid Transit, but it is in New York as well as in Brooklyn.

Mr. UNTERMYER. There are two systems, two proposed routes of subways?

Mr. DAVISON. Yes.

Mr. UNTERMYER. They have one and you have the other?

Mr. DAVISON. I do not know that they have one and I do not know that we have the other. We have the financing of this transaction.

Mr. UNTERMYER. And they have the financing of the other transaction?

Mr. DAVISON. Yes; they and their associates, I understand.

Mr. UNTERMYER. Their transaction involves raising about \$40,000,000, does it not?

Mr. DAVISON. That is my recollection.

Mr. UNTERMYER. And yours \$170,000,000.

Mr. DAVISON. That is my recollection.

Mr. UNTERMYER. Am I right in the statement, Mr. Davison, that the State puts in \$70,000,000 of bonds behind this \$170,000,000?

Mr. DAVISON. No; you are not right in that statement.

Mr. UNTERMYER. Does it not agree to do so, if necessary?

Mr. DAVISON. No.

Mr. UNTERMYER. How much does it agree to put in?

Mr. DAVISON. Do you want—are you asking me the character of the contract between the city and the Interborough?

Mr. UNTERMYER. I do not want to go into the details of that complicated transaction. I only want to know the single fact as to how much the city of New York puts back of your \$170,000,000 of bonds, of money?

Mr. DAVISON. The contract provides, as I recall it, that the city and the company shall put in \$58,000,000 each, *pari passu*, for the construction of the subway.

Mr. UNTERMYER. Behind your bonds?

Mr. DAVISON. What do you mean by "behind the bonds"?

Mr. UNTERMYER. I mean as a subsequent lien only, and the interest to be paid only after the interest and sinking fund are paid on the bonds that your firm are to buy.

Mr. DAVISON. To answer that question I would have to take up the broad subject, because an answer to that question alone would give a false impression.

Mr. UNTERMYER. I think that without taking up that long transaction, a complicated one, it ought to be easy for you to tell us how much money the city of New York undertakes to put behind those bonds as a subsequent lien?

Mr. DAVISON. I answer that they did not put any money behind those bonds. You can not take up one part of that transaction without taking up the other. To-day there is a subway owned by the Rapid Transit Co. in the borough that is a very profitable undertaking, and that is an integral part of this transaction.

Mr. UNTERMYER. I understand that; but this arrangement involves guaranteeing the present earnings on the old Interborough—

Mr. DAVISON. No, sir; there is no guaranty.

Mr. UNTERMYER. I mean, provided the earnings are sufficient for that purpose. It provides a preference?

Mr. DAVISON. It is a preference providing the earnings on the new system are sufficient.

Mr. UNTERMYER. Providing the earnings on the new system are found sufficient, they are to be paid first?

Mr. DAVISON. Yes.

Mr. UNTERMYER. Next, the interest on your bonds that you are to take is to be paid, and the sinking fund, out of the earnings?

Mr. DAVISON. No. I must answer that question because it is important enough for you to ask it. Under that contract the old system earned a certain amount of money, which was figured to be \$6,335,000. That was the average amount of earnings of that property for the two years prior to the date of the contract or the date of the proposed contract. Therefore, in this plan, it was provided that out of the earnings the Interborough Co. should get on the old and the new stock an amount equal to the earnings that they were making on their own private property to-day. That is the preference, and that is the only preference. Out of that they pay the interest on all of their financing and the city comes in. The city in giving them the preference only gives them what they have to-day.

Mr. UNTERMYER. Yes. That is not the point.

Mr. DAVISON. It is a very important point.

Mr. UNTERMYER. After that preference has been paid, the next earnings go to paying the interest and sinking fund on the bonds that you are to take?

Mr. DAVISON. Not at all.

Mr. UNTERMYER. They do not? Does the city get any return on its money that it puts in by way of interest and otherwise until after sufficient has been set aside to pay the full interest on your bonds?

Mr. DAVISON. The city gets no return on its money until the Interborough receives the interest and sinking fund.

Mr. UNTERMYER. Amounting to 5 per cent and 1 per cent on its bonds?

Mr. DAVISON. That is a correct statement.

Mr. UNTERMYER. That includes the bonds you are taking?

Mr. DAVISON. That includes the bonds that are issued to build this new work, whatever the amount may be.

Mr. UNTERMYER. That includes the bonds you are taking?

Mr. DAVISON. That is correct.

Mr. UNTERMYER. Is there any other banking house in the United States that would have the facilities to take that issue of bonds that you are taking?

Mr. DAVISON. Do you not think it would be a little presuming in me to say no?

Mr. UNTERMYER. We want the facts, Mr. Davison, even if your sense of modesty is outraged.

Mr. DAVISON. That is a matter of opinion.

Mr. UNTERMYER. What is your opinion?

Mr. DAVISON. I think it is fair to express the opinion. No; I am not sure that there is no other house in the country that can do that.

Mr. UNTERMYER. You can not say so?

Mr. DAVISON. No.

Mr. UNTERMYER. Kuhn, Loeb & Co. are financing the other venture. Leaving them out, is there any other house in the country that could finance those bonds?

Mr. DAVISON. Can I not answer that question by saying that we are a very large house?

Mr. UNTERMYER. Oh, I think you might answer.

Mr. DAVISON. No; but, Mr. Untermeyer, I do not want to sit here and say there are no other banking houses——

Mr. UNTERMYER. You know that is so, do you not?

Mr. DAVISON. No; I do not know that is so, by any manner of means.

Mr. UNTERMYER. Very well. Is not your ability to finance a project of that kind due in some measure to your being able to place these bonds with banks and financial institutions?

Mr. DAVISON. It is due——

Mr. UNTERMYER. Will you not answer my question?

Mr. DAVISON. I am going to answer your question.

Mr. UNTERMYER. You can answer that——

Mr. DAVISON. It is due largely to our ability, certainly.

Mr. UNTERMYER. Does the Guaranty Trust participate in most of your financial operations—syndicates?

Mr. DAVISON. Very frequently.

Mr. UNTERMYER. And the Bankers Trust?

Mr. DAVISON. Yes; very frequently.

Mr. UNTERMYER. And any other affiliated institutions that we have mentioned here?

Mr. DAVISON. Very frequently; and also the other financial institutions of the city of New York very frequently.

Mr. UNTERMYER. Do you know what proportion of the securities that are owned by the Bankers Trust Co. and the Guaranty Trust Co. and the Bank of Commerce, that are held in their treasuries, are securities acquired from J. P. Morgan & Co.? Have you made any calculation on that?

Mr. DAVISON. Yes; I have.

Mr. UNTERMYER. Have you got it here?

Mr. DAVISON. No; I have not got the actual figures.

Mr. UNTERMYER. I would like the figures. Will you let us have the figures?

Mr. DAVISON. There is——

Mr. UNTERMYER. No; I do not want any deductions. Will you let us have the figures?

Mr. DAVISON. I was going to state that it is a comparatively small percentage.

Mr. UNTERMYER. No; I object to that unless you give the figures, if you have got them here. You say you have made a calculation?

Mr. DAVISON. No. Calculations have been made. I do not know——

Mr. UNTERMYER. Recently, within the last few years, many of the issues of J. P. Morgan & Co. have been made jointly with the First National Bank and the National City Bank, have they not?

Mr. DAVISON. Yes.

Mr. UNTERMYER. And many with Lee-Higginson and with western bankers?

Mr. DAVISON. No; not very many with the western bankers. As a matter of fact, I recall very few with the western bankers. We have made them occasionally with Lee-Higginson and with other houses.

Mr. UNTERMYER. You have made them very largely with Lee-Higginson?

Mr. DAVISON. It is comparative. I do not think we have, very largely.

Mr. UNTERMYER. But your main joint account transactions are with the City Bank and the First National Bank?

Mr. DAVISON. I think they have been.

Mr. UNTERMYER. Is it not a fact that in previous years you made the issues largely alone, prior to five years ago?

Mr. DAVISON. I think more largely alone; yes, sir. They were smaller in character.

Mr. UNTERMYER. I will ask you to look at the list of the Bank of Commerce of November 30, 1902, showing a total of \$10,988,383 of assets in the way of bonds. I wish you would check off on that list any securities held by the Bank of Commerce that were not either part of the issue made by J. P. Morgan & Co. or in which they participated or in which the First National Bank or the National City Bank participated.

Mr. DAVISON. I state now that I can not do that. Nobody can do that; no one person can do that. I have no statement here on that.

Mr. UNTERMYER. Have you a list here of the securities held in the treasury of the Bankers Trust Co.?

Mr. DAVISON. I have not.

Mr. UNTERMYER. Or of the Guaranty Trust?

Mr. DAVISON. I have not.

Mr. UNTERMYER. These banks and trust companies are a very bond-distributing department and the other has not.

Mr. DAVISON. Well, that is comparative. One of the institutions is perhaps more so than the other, because one of them has an active bond-distributing department and the other has not.

Mr. UNTERMYER. The larger ones have all taken on bond-distributing departments, have they not?

Mr. DAVISON. No.

Mr. UNTERMYER. Has the First National a bond distributing department?

Mr. DAVISON. I thought you were speaking of the Bankers' Trust and of the Guaranty Trust.

Mr. UNTERMYER. No; I am speaking of these financial institutions in New York, these large financial institutions with which J. P. Morgan & Co. are identified, and in which they have an interest. I want to know whether they are not a very valuable outlet for an issuing house such as yours?

Mr. DAVISON. They have valuable connections.

Mr. UNTERMYER. And a banking house that has not access to those large banks, with their large resources, is it or not at a disadvantage in making issues of securities of a substantial amount compared to the banking house that has access to those concerns and that has representation on them and in whom they have confidence?

Mr. DAVISON. The representation on them has no effect, and I know of no banking house that has not access to them.

Mr. UNTERMYER. Do you know of any that have?

Mr. DAVISON. If you will give me the list of the banking houses in New York, I will give you a list—

Mr. UNTERMYER. If you will give me a list of securities of the Bank of Commerce and check off any securities in its treasury bought from other banking houses than J. P. Morgan & Co., Lee, Higginson & Co., Kidder, Peabody & Co., the First National Bank of Chicago, the Illinois Trust & Savings Co. of Chicago, or Kuhn, Loeb & Co., perhaps that would answer my question.

Mr. DAVISON. Yes; but your question assumes that there are no others, and that is incorrect, and it is not fair.

Mr. UNTERMYER. No; I have not said that there were no others.

Mr. DAVISON. Your question assumes it.

Mr. UNTERMYER. But I do believe that there are others. You understand?

Mr. DAVISON. Yes.

Mr. UNTERMYER. I assume that some securities are bought from other houses. But you recognize, do you not, that there is a great advantage in having the entrée and the interest in one of these banks, and a representation on the board; or do you think that is no advantage whatever?

Mr. DAVISON. Absolutely no advantage at all.

Mr. UNTERMYER. None whatever?

Mr. DAVISON. In the placing of securities.

Mr. UNTERMYER. You think it is a disadvantage?

Mr. DAVISON. At times. Not always.

Mr. UNTERMYER. Even, for instance, where you gentlemen are voting trustees and have the naming of the directors, you think it is a disadvantage?

Mr. DAVISON. Voting trustees have no more to do with the sale of securities than they have with the winds that are blowing around this building.

Mr. UNTERMYER. They have with the naming of the directors and the naming of the officers?

Mr. DAVISON. They have not, as a matter of fact.

Mr. UNTERMYER. They have the power to put them out?

Mr. DAVISON. No—

Mr. UNTERMYER. Have they not the power at any annual meeting to put them out?

Mr. DAVISON. No; their term expires.

Mr. UNTERMYER. Have they not the power to elect others?

Mr. DAVISON. Yes.

Mr. UNTERMYER. To substitute?

Mr. DAVISON. Yes.

Mr. UNTERMYER. And to elect a board of their own choice?

Mr. DAVISON. Yes. You know that in these trusts these directors are elected and chosen by class; they are divided into classes serving one, two, and three years.

Mr. UNTERMYER. Are there any classes that stay in 14 years?

Mr. DAVISON. I hope there will be.

Mr. UNTERMYER. I say, are there any classes that are elected for 14 years?

Mr. DAVISON. No.

Mr. UNTERMYER. Your Bankers Trust Co. voting trust has continued now for how many years; for 10 years, has it not?

Mr. DAVISON. Yes; 10 years.

Mr. UNTERMYER. And the classes—they are elected in classes of one, two, and three years?

Mr. DAVISON. They are, and they have never elected a board in practice.

Mr. UNTERMYER. What is that?

Mr. DAVISON. I say, they have never elected a board in practice.

Mr. UNTERMYER. They have been satisfied with the boards that were there?

Mr. DAVISON. Very highly satisfied.

Mr. UNTERMYER. One of the committee would like to know whether the City Bank, the First National Bank, the Guaranty Trust, and the Bankers Trust, are distributors of bonds.

Mr. DAVISON. In part they are. The National City Bank has a large bond department. The First National Bank is quite active in that business. The Bank of Commerce is not. The Guaranty Trust Co. has a very active bond department. The Bankers Trust Co.; no.

Mr. UNTERMYER. Do they sell these bonds on commission, or do they sell them at such price as they fix, or resell them as owners?

Mr. DAVISON. It depends entirely upon the issue and the circumstances.

Mr. UNTERMYER. Do they sometimes act as brokers, selling them on commission to the banking houses?

Mr. DAVISON. For J. P. Morgan & Co.?

Mr. UNTERMYER. For any banking company.

Mr. DAVISON. That I do not know.

Mr. UNTERMYER. They do not for you?

Mr. DAVISON. No; never.

Mr. UNTERMYER. They buy them outright and sell them at whatever they choose?

Mr. DAVISON. Yes; I think they have never sold for us on commission.

Mr. UNTERMYER. J. P. Morgan & Co. have made a number of large issues within the last few weeks, have they not?

Mr. DAVISON. I do not think so; they may have made a large number of advertisements.

Mr. UNTERMYER. But when they advertise the bonds are already sold, are they not?

Mr. DAVISON. Not always.

Mr. UNTERMYER. I mean they have been underwritten before they are advertised, have they not, as a rule?

Mr. DAVISON. I would not say as a rule. Frequently; not as a rule.

A paper was here handed to counsel by Mr. Lindabury.

Mr. UNTERMYER. Is this a statement of issues made since November 1, 1912?

Mr. DAVISON. It brings the statement up to date.

Mr. UNTERMYER. Do you know how much the issues since that time amount to?

Mr. DAVISON. I do not. It can easily be figured.

Mr. UNTERMYER. In this list it says about \$82,000,000.

Mr. DAVISON. About \$85,000,000, I think.

Mr. UNTERMYER. There are five in this list, amounting to \$82,000,000. I will ask to have that marked in connection with the list now submitted, excluding the pencil marks on the paper, which are mine.

The two papers referred to were marked respectively "Exhibits Nos. 224 and 224-a, January 23, 1913," and will be found printed at the end of this day's proceedings.

Mr. UNTERMYER. This does not include the Chicago & Western Indiana Railroad Co. issue at ten million?

Mr. DAVISON. No; it does not. The reason for that is that this list was made out, I should say, upon receipt of your inquiry, and the issue has been made since that date.

Mr. UNTERMYER. Does it include the Kansas City Terminal Co. issue of ten millions?

Mr. DAVISON. It does.

Mr. UNTERMYER. Does it include the \$12,540,000 New York Central lines equipment trust of 1913? That was issued yesterday, was it not?

Mr. DAVISON. Yes. We will have to give you telegraphic advices if you want to be up to date.

Mr. UNTERMYER. We will bring you up to date. Does it include the Canada Southern Railway?

Mr. DAVISON. It does.

Mr. UNTERMYER. How large an issue was that?

Mr. DAVISON. \$22,500,000.

Mr. UNTERMYER. The Chicago & Western Indiana Railroad Co. issue was made jointly, was it, with the First National Bank and the National City Bank?

Mr. DAVISON. I think so.

Mr. UNTERMYER. Sir?

Mr. DAVISON. It was.

Mr. UNTERMYER. The Kansas City Terminal Railway Co. \$10,000,000 issue was made jointly with what banking houses?

Mr. DAVISON. If you will tell me I will answer your question.

Mr. UNTERMYER. Do you not remember? It is only a few days ago.

Mr. DAVISON. I know, but my mind was occupied.

Mr. UNTERMYER. J. P. Morgan & Co., Lee, Higginson & Co., and the Illinois Trust and Savings Bank?

Mr. DAVISON. I think so. We have been associated together in the past in that business.

Mr. UNTERMYER. Is that the reason of making the \$10,000,000 issue jointly with these other houses, because you have had other issues with them?

Mr. DAVISON. In that same business, if everything has been satisfactory and gone along all right, we would join with the same parties in an issue of the same company.

Mr. UNTERMYER. The \$12,540,000 New York Central equipment issue, made yesterday, 1913, was that made jointly by J. P. Morgan & Co., the First National Bank, and the National City Bank?

Mr. DAVISON. Yes.

Mr. UNTERMYER. Was that joint issue made for the same reason that previous issues of that same company had been made for joint account of the same parties?

Mr. DAVISON. I do not know that we had previously issued that.

Mr. UNTERMYER. The New York Central?

Mr. DAVISON. Yes.

Mr. UNTERMYER. Had you not previously issued the Kansas City Terminal securities jointly with Lee-Higginson and the Illinois Trust and Savings?

Mr. DAVISON. Yes; I said that we had.

Mr. UNTERMYER. Then you know of these three instances—the Chicago & Western Indiana Railway Co., the Kansas City Terminal Co., and the New York Central, all made within a few weeks jointly with other banking houses—those we have been discussing. Is there any rule or custom among bankers that where they make one issue of a company or are interested together in one issue they remain interested in subsequent issues?

Mr. DAVISON. For the same company?

Mr. UNTERMYER. Yes.

Mr. DAVISON. As a matter of practice, if it was satisfactory in every particular, I should say that it was the custom; yes. It is a matter of banking ethics.

Mr. UNTERMYER. A matter of banking ethics?

Mr. DAVISON. I should say so; yes.

Mr. UNTERMYER. If either one of the three thereafter gets an issue of that company it is a matter of banking ethics that it is for joint account, is it?

Mr. DAVISON. I should say that the natural way of handling that business would be to have it go to the parties who handled it before, if it were satisfactorily handled; yes.

Mr. UNTERMYER. You mean if they have not had any differences or disagreements between themselves?

Mr. DAVISON. Yes; if it was satisfactorily handled.

Mr. UNTERMYER. Have you not within the last few weeks also taken an issue of \$67,000,000 of American Telephone & Telegraph bonds jointly with Lee-Higginson and other banking houses?

Mr. DAVISON. No.

Mr. UNTERMYER. You participated with them in that issue?

Mr. DAVISON. Excuse me, I was going to answer your question. I think with others, not including Lee, Higginson & Co. as principals, but with Kidder, Peabody & Co., the First National, the National City Bank, Baring Bros. & Co. (Ltd.), of London, and Morgan-Grenfell (Ltd.), of London, we have underwritten an issue of \$67,000,000 of American Telephone & Telegraph Co. bonds.

Mr. UNTERMYER. Are they the same parties—

Mr. DAVISON. I beg your pardon—and Kuhn, Loeb & Co.

Mr. UNTERMYER. Are they the same bankers or banking houses with which you had previously underwritten issues of the American Telephone & Telegraph Co.?

Mr. DAVISON. Exactly; and that is a complete answer to your question.

Mr. UNTERMYER. You have together underwritten, I think, \$150,000,000 of those bonds, have you not?

Mr. DAVISON. That is my recollection.

Mr. UNTERMYER. So that the same rule of banking ethics required the same disposition of this issue as of the others?

Mr. DAVISON. I would not say it required it.

Mr. UNTERMYER. It resulted in it?

Mr. DAVISON. It resulted in it; exactly.

Mr. UNTERMYER. As a matter of fact, in business morals it would require it?

Mr. DAVISON. It would require it if everything was properly and satisfactorily handled, and there were no other factors in the situation which might make it inexpedient. The situation, when a transaction comes up, always governs.

Mr. UNTERMYER. What was there left for the American Telephone & Telegraph Co. to do when it had \$67,000,000 of bonds to issue except to give it to you gentlemen when you had this rule of banking ethics or this arrangement, so that one of you could not take it against the other?

Mr. DAVISON. They did not want to have anything else to do, I imagine.

Mr. UNTERMYER. Do not let us get into the realm of imagination at this hour of the afternoon.

Mr. DAVISON. I think they were very well satisfied.

Mr. UNTERMYER. That is not the question. Suppose they were not, what else was there left?

Mr. DAVISON. They could go to many other houses.

Mr. UNTERMYER. To John Brown?

Mr. DAVISON. Brown Bros.

Mr. UNTERMYER. And Brown Bros. could handle that sixty-seven millions as against J. P. Morgan & Co., Kuhn, Loeb & Co., J. S. Morgan & Co., of London, Kidder, Peabody & Co., Baring Bros., Estabrook & Co., F. L. Day & Co., and the Old Colony Trust Co., could they?

Mr. DAVISON. There are 10 houses in New York City that could get up a syndicate in 24 hours, irrespective of any one of those houses.

Mr. UNTERMYER. Of sixty-seven millions?

Mr. DAVISON. Sixty-seven millions.

Mr. UNTERMYER. Be good enough to name one—not ten, but one—that has gotten up such a syndicate in the last five years independent of any of those houses and without resort to them and without their assistance or cooperation.

Mr. DAVISON. You mean of sixty-seven millions?

Mr. UNTERMYER. About as large as that.

Mr. DAVISON. It is very rare that you have a syndicate of sixty-seven millions.

Mr. UNTERMYER. Instead of sixty-seven millions, let us make it twenty-five millions. Give me the name of any house that has gotten up such a syndicate.

Mr. DAVISON. I thought you would ask that question.

Mr. UNTERMYER. I know you thought I would ask that question, and I knew you had it all ready. That is why I asked you. Now, name any house that has gotten up a syndicate of twenty-five millions in which none of these gentlemen were interested.

Mr. DAVISON. Of course, Mr. Untermyer, I can only take the records as I find them.

Mr. UNTERMYER. Yes; that is just crux of it.

Mr. DAVISON. I will offer this in evidence in answer to the question. Twenty-five millions, Utah Security Corporation, 10-year 6 per cent notes, in October, 1912, brought out by the Electric Bond & Share Co. and Hayden, Stone & Co.

Mr. UNTERMYER. Let us have that. Utah Security Co.?

Mr. DAVISON. Yes.

Mr. UNTERMYER. What sort of company is that?

Mr. DAVISON. You know much more about it than I do. You are counsel for them.

Mr. UNTERMYER. No; I am not.

Mr. DAVISON. I beg your pardon; I thought you were counsel.

Mr. UNTERMYER. You see you may be mistaken.

Mr. DAVISON. Yes. I do not know anything about them, either.

Mr. UNTERMYER. You do not know what it is?

Mr. DAVISON. No.

Mr. UNTERMYER. It might be a mine, might it not?

Mr. DAVISON. Yes; certainly.

Mr. UNTERMYER. A copper mine or a gold mine?

Mr. DAVISON. It might be anything.

Mr. UNTERMYER. We are not referring to copper mines or gold mines; we are referring to industrials and railroads, but we will take that up for the time being. Do you know whether Kuhn, Loeb & Co. were underwriters there?

Mr. DAVISON. I do not.

Mr. UNTERMYER. Do you know whether J. P. Morgan & Co. were?

Mr. DAVISON. I do.

Mr. UNTERMYER. They were not?

Mr. DAVISON. They were not.

Mr. UNTERMYER. Do you know whether Kidder, Peabody & Co., of Boston, were?

Mr. DAVISON. No; I do not know about any of the others.

Mr. UNTERMYER. Wait a moment. Answer my question. My question was, where the American Telephone & Telegraph Co. could go and place bonds except with these gentlemen whom you have named in this banking ethics arrangement, and you have named a case in which you say there were \$25,000,000 of securities issued through Hayden, Stone & Co. and somebody else. Now, what kind of securities were they, what class of securities? Was it stocks or bonds, or what?

Mr. DAVISON. They were 6 per cent 10-year notes.

Mr. UNTERMYER. Notes on what?

Mr. DAVISON. I do not know, but there is one thing about it, if they could float that, I think they could float telephone securities.

Mr. UNTERMYER. Do not argue about it.

Mr. DAVISON. I am not arguing about it.

Mr. UNTERMYER. When you talk about floating that, it may have had Government bonds back of it as collateral?

Mr. DAVISON. Yes; I guess so.

Mr. UNTERMYER. I do not want you to guess.

Mr. DAVISON. I guess it had not.

Mr. UNTERMYER. You do not know what it had back of it?

Mr. DAVISON. No; but you are the man that is discrediting the security; I am not.

Mr. UNTERMYER. There is nobody discrediting it. I am trying to find out if you know what you are talking about.

Mr. DAVISON. I know what I am talking about as much as you do, from the information you have there. There is a public list of securities, a list containing three hundred and thirty-two millions of securities, which have been recently issued by houses which are not in your list and have no connection, so far as the evidence shows [handing list to counsel].

Mr. UNTERMYER. Will you let us have that?

Mr. DAVISON. Yes. I say, so far as the evidence shows.

Mr. UNTERMYER. So far as the evidence shows, yes. Well, let us see whether there is any one of them that you know anything about.

Mr. DAVISON. I will promise you that I do not.

Mr. UNTERMYER. Where did you get this list?

Mr. DAVISON. That is the reason it is there.

Mr. UNTERMYER. Where did you get this list?

Mr. DAVISON. It was prepared by a man in our office.

Mr. UNTERMYER. What is his name?

Mr. DAVISON. Mr. Backus.

Mr. UNTERMYER. Is he a lawyer?

Mr. DAVISON. Not in getting that work up.

Mr. UNTERMYER. But he is a lawyer?

Mr. DAVISON. Not necessarily with us. He is a lawyer; yes.

Mr. UNTERMYER. And you have not investigated any of these things and you do not know anything about them?

Mr. DAVISON. If I knew more about them they might be in our house, but they are not. That is the best evidence that I do not know about them.

Mr. UNTERMYER. Wait a minute, because I know something about that.

Mr. DAVISON. I have no doubt.

Mr. UNTERMYER. I see you have gone back to May, 1905, have you not?

Mr. DAVISON. Well, that shows there were people doing business even as far back as that.

Mr. UNTERMYER. There is no question that as far back as that there were people who were doing business. The question is, Who are doing business now?

Mr. DAVISON. Yes.

Mr. UNTERMYER. Do you know to what extent, if to any extent, Kidder, Peabody & Co. were interested in any of these transactions?

Mr. DAVISON. Mr. Untermyer, I say no; I know nothing but what is on this paper.

Mr. UNTERMYER. Do you know anything about the extent to which Lee, Higginson & Co. were interested in these issues?

Mr. DAVISON. What issues?

Mr. UNTERMYER. Those you are referring to.

Mr. DAVISON. If you will analyze them, I will answer.

Mr. UNTERMYER. I say do you know to what extent they were interested?

Mr. DAVISON. I do not.

Mr. UNTERMYER. Do you know to what extent Kuhn, Loeb & Co. were interested?

Mr. DAVISON. Of course——

Mr. UNTERMYER. Will you not answer that question?

Mr. DAVISON. Of course you can infer that they were all interested with J. P. Morgan & Co.

Mr. UNTERMYER. All I want to show is that you do not know anything about it.

Mr. DAVISON. I will concede that I know this about it, that I had no interest in it, but my belief is that they had no interest in most of them.

Mr. UNTERMYER. How can you say that?

Mr. DAVISON. I say that is my belief, because I know and you know that there are a great many houses in New York doing a very large volume of business that have no relation or connection with those houses you have named there. You know it just as well as I do, and it can be proved.

Mr. UNTERMYER. On the contrary, I do not think any of them can exist against your ill will.

Mr. DAVISON. That is an absurd statement that ought not to be made.

Mr. UNTERMYER. If you will answer my questions we will get along.

Mr. DAVISON. I will try to.

Mr. UNTERMYER. Will you tell me whether or not, or do you not know, that Hayden, Stone & Co., the first concern to which you referred, in the issue about which you have testified——

Mr. DAVISON. The reason I picked it was because it was twenty-five millions, the amount you named.

Mr. UNTERMYER. Do you not know that they have close relations with Lee, Higginson & Co. and Kidder, Peabody & Co. in issuing mining securities?

Mr. DAVISON. I do not know it, no.

Mr. UNTERMYER. Have they not had relations with those houses in the issue of mining securities?

Mr. DAVISON. I do not know.

Mr. UNTERMYER. Have you been concerned in the Inspiration Copper Co.—your house?

Mr. DAVISON. Yes.

Mr. UNTERMYER. Do you not know that Hayden, Stone & Co. were interested in that?

Mr. DAVISON. I did not know it. I was not familiar with that transaction. Do you know, Mr. Lindabury?

Mr. LINDABURY. I do not know.

Mr. UNTERMYER. Do you not know whether they were or not?

Mr. DAVISON. I do not know.

Mr. UNTERMYER. I did not mean to assert that they were, but it is possible?

Mr. DAVISON. It is possible, but I do not know it. There is no reason why they should not be.

Mr. UNTERMYER. Do you know what their relations are with Kidder, Peabody & Co. in mining securities?

Mr. DAVISON. I do not know.

Mr. UNTERMYER. I think you said you did not know whether that was a mining security?

Mr. DAVISON. I really know nothing about it.

Mr. UNTERMYER. The subject on which this committee is trying to get information, Mr. Davison, the broad, general subject, is as to whether or not it is possible to make any large issue of securities in this country without the cooperation of some one of a half dozen large banking houses which are linked together in business interests.

Mr. DAVISON. Yes; of course.

Mr. UNTERMYER. All I want to find out with respect to this list you have submitted here is whether you have any information as to who were connected with these particular issues of which you have furnished a list, among these six houses?

Mr. DAVISON. In any particular line? Let me make that clear.

Mr. UNTERMYER. Have you no information as to that?

Mr. DAVISON. I have not, and I have said so repeatedly. I asked Mr. Backus if he would look that up and see what large transactions had been handled by houses with which houses we were in no way associated, and he gave me that list. I did not intend to offer that list in evidence.

Mr. UNTERMYER. Let me ask you this, then: You asked him to make up a list in which they did not appear as the issuing house?

Mr. DAVISON. No; I said in which they had no issue.

Mr. UNTERMYER. How could he tell?

Mr. DAVISON. He could not tell.

Mr. UNTERMYER. He could not tell?

Mr. DAVISON. No.

Mr. UNTERMYER. Whether they may have had an interest, or what their interest was in these issues, you would not undertake to say?

Mr. DAVISON. No; I would not undertake to say; but those houses can handle issues without the help of any other house. Take such houses as Blair & Co., William Salomon, Lehman Bros., Golden & Sachs, and Heidelberg, Ickelheimer & Co.

Mr. UNTERMYER. Have you heard of Heidelberg, Ickelheimer & Co. making any issue of over \$5,000,000 in 10 years?

Mr. DAVISON. Yes.

Mr. UNTERMYER. Have you ever heard of that firm making any issue in 10 years?

Mr. DAVISON. I do not know, but they have the ability.

Mr. UNTERMYER. How do you know?

Mr. DAVISON. From the standing of the house.

Mr. UNTERMYER. What do you know about their connections?

Mr. DAVISON. I know about their standing in general. I could give a list of 30 independent houses in New York entirely independent of any of these.

Mr. UNTERMYER. How is it that they have not done it?

Mr. DAVISON. They have done it. There is the list.

Mr. UNTERMYER. Going back to 1905, which is eight years, in that time how many millions of securities have you all issued?

Mr. DAVISON. What do you mean by "you all"?

Mr. UNTERMYER. For instance, J. P. Morgan & Co., either alone or jointly with others?

Mr. DAVISON. I do not know. I want it clearly understood that I do not offer that as the amount of securities that have been issued by other houses since the time stated.

Mr. UNTERMYER. Do you want to offer it?

Mr. DAVISON. No.

Mr. UNTERMYER. Then you may take it back, because if you do not want it we will not examine it.

Are you familiar with the process of railway reorganization?

Mr. DAVISON. Not to any extent. I have never been associated with railway reorganization.

Mr. UNTERMYER. The committee wanted to get some information as to the present methods of reorganization.

Mr. DAVISON. Well, I am sorry, but—

Mr. UNTERMYER. As compared with the methods prevailing, we will say, in England, and the room, if any, for constructive legislation on the subject.

Mr. DAVISON. I am very sorry, but I am entirely incompetent to give any idea on that subject.

Mr. UNTERMYER. Let us see how far you are informed on the subject. You know the practice in this country of reorganizing insolvent railroads through receivership and reorganization committees?

Mr. DAVISON. Yes.

Mr. UNTERMYER. Are those reorganization committees usually self-constituted?

Mr. DAVISON. My impression is that in a large degree they are voluntary committees.

Mr. UNTERMYER. And having constituted themselves into a committee for the purpose of collecting the securities, they generally go to a banking house, do they not?

Mr. DAVISON. Yes. That is my understanding.

Mr. UNTERMYER. And sometimes the banking house starts the reorganization for them, does it not?

Mr. DAVISON. I assume so.

Mr. UNTERMYER. What is the first thing that they do, is it to put out advertisements for the deposit of securities?

Mr. DAVISON. I have never been on a committee like that, and I do not know; but I think that is probably one of the first steps.

Mr. UNTERMYER. When it comes to a sale of this property under foreclosure, do you know the procedure that the committee having the security pursues?

Mr. DAVISON. I do not like to testify on that.

Mr. UNTERMYER. You would rather not?

Mr. DAVISON. I do not know.

Mr. UNTERMYER. Is Mr. Lamont familiar with railroad reorganization?

Mr. LAMONT. Still less so.

Mr. UNTERMYER. Who is there in your firm who has had charge of these railroad reorganizations?

Mr. DAVISON. We have had very little. Since I have been in the office there has been only one reorganization of that kind that I recall.

Mr. UNTERMYER. The Chicago & Great Western?

Mr. DAVISON. Yes, sir.

Mr. UNTERMYER. Very recently?

Mr. DAVISON. Three or four years ago. That is the only one that there has been since I have been in the firm.

Mr. UNTERMYER. Did you have charge of that?

Mr. DAVISON. Not personally; no.

Mr. UNTERMYER. Who had charge of that?

Mr. DAVISON. Mr. Charles E. Steele.

Mr. UNTERMYER. Do you not know this fact, that the plan of reorganization is gotten together by this committee?

Mr. DAVISON. I have always assumed that is a fact.

Mr. UNTERMYER. And does that plan apportion the securities to the different security holders and provide what they shall pay, if anything, in the way of assessment?

Mr. DAVISON. That would be the character of reorganization plan, I should say.

Mr. UNTERMYER. What happens under the present plan to those that do not go in, under the present method of reorganization?

Mr. DAVISON. Does not that depend largely upon the character of the security? In other words, if it were a common stock and the assessment were made and a man declined to pay the assessment, in many cases I would suppose the reorganization would probably wipe him out.

Mr. UNTERMYER. You are not familiar with the English system that does away with foreclosures?

Mr. DAVISON. I am not.

Mr. UNTERMYER. That does away with all the expense of delay.

Mr. DAVISON. I am not.

Mr. UNTERMYER. And that protects the minority.

Mr. DAVISON. I am not.

Mr. UNTERMYER. Are you the bankers for the Northern Pacific?

Mr. DAVISON. We are to a degree. We pay their coupons. I do not know whether we are their fiscal agents or not. I am under the impression that we are.

Mr. UNTERMYER. They keep an account with you, do they not?

Mr. DAVISON. I think they do; yes.

Mr. UNTERMYER. Does the Great Northern also, or is that in the hands of the First National?

Mr. DAVISON. The Great Northern keeps no account with us.

Mr. UNTERMYER. Are they with the First National?

Mr. DAVISON. Their relations with the First National, I assume, are intimate.

Mr. UNTERMYER. When you were with the First National were they not the fiscal agents for the Great Northern?

Mr. DAVISON. I do not think they were, as such. I think the Great Northern did carry an account——

Mr. UNTERMYER. And they were the bankers?

Mr. DAVISON. They are intimate. I think the First National issued some of the Great Northern bonds two or three years ago.

Mr. UNTERMYER. Are Kuhn, Loeb & Co. and the First National interested in the Bank of Commerce with Morgan & Co.?

Mr. DAVISON. Kuhn, Loeb & Co. are interested in the First National Bank, as are also——

Mr. UNTERMYER. No, no; I mean the Bank of Commerce, as is the First National also?

Mr. DAVISON. I would not say the First National, as a bank, is interested.

Mr. UNTERMYER. But through Mr. Baker?

Mr. DAVISON. Mr. Baker is individually interested.

Mr. UNTERMYER. They are all represented on that board?

Mr. DAVISON. Mr. Baker is on the board of the Bank of Commerce, and Mr. Hine is also on the board of the Bank of Commerce.

Mr. UNTERMYER. And Mr. Schiff?

Mr. DAVISON. Mr. Schiff is not. He is retired and Mr. Warburg is on the board.

Mr. UNTERMYER. He is his partner?

Mr. DAVISON. He is his partner; yes.

Mr. UNTERMYER. And how many of your firm are on there?

Mr. DAVISON. Mr. Morgan, jr., and myself.

Mr. UNTERMYER. What are the relations of your firm with the American Agricultural Chemical Co.?

Mr. DAVISON. We have no relations, so far as I know.

Mr. UNTERMYER. Do you know who are their bankers?

Mr. DAVISON. I do not.

Mr. UNTERMYER. You act for the International Agricultural Chemical Co., do you not?

Mr. DAVISON. What do you mean——

Mr. UNTERMYER. Are not your firm bankers for them?

Mr. DAVISON. No. I think they have an account for them.

Mr. UNTERMYER. Have you not raised money for them?

Mr. DAVISON. No; not so far as I know. Mr. Lamont, one of our partners, is a member of the board. But if you mean are we the bankers for the International Agricultural Corporation I should say we are not. I am not intimate with the corporation; I do not know just what their financial arrangements are.

Mr. UNTERMYER. Have you not participated in issues of the American Agricultural Chemical Co.?

Mr. DAVISON. Never; so far as I recall.

Mr. UNTERMYER. Are the International Agricultural Corporation and the American Agricultural Chemical Co. competitors?

Mr. DAVISON. I have always supposed they were.

Mr. UNTERMYER. Are you interested in the United States Motors Co.?

Mr. DAVISON. What do you mean by "interested"?

Mr. UNTERMYER. As the holders of securities, or interested in the issue of any of their securities?

Mr. DAVISON. We have a small interest in that corporation. We are not active in it, in any way.

Mr. UNTERMYER. Are you also in the General Motors?

Mr. DAVISON. No.

Mr. UNTERMYER. Did you participate with Kidder, Peabody & Co. in the American Woolen Co.?

Mr. DAVISON. I think not.

Mr. UNTERMYER. Or with Lee-Higginson?

Mr. DAVISON. I have no recollection of our having any interest in that.

Mr. UNTERMYER. That was, perhaps, before your time?

Mr. DAVISON. The company was organized long before I went with the firm.

Mr. UNTERMYER. To what extent have J. P. Morgan & Co. been interested in the dry-goods business in New York City and throughout the country?

Mr. DAVISON. To no extent whatever in the dry-goods business.

Mr. UNTERMYER. Did you not organize the United Dry Goods Co.?

Mr. DAVISON. I was about to say that we have from time to time done some financing for the Associated Merchants and the United Dry Goods Co.

Mr. UNTERMYER. What do you mean by the Associated Merchants?

Mr. DAVISON. I think that is the corporate title of an institution or corporation of which Mr. Claffin is the head, and we have done some financing for them and also for the United Dry Goods Co.

Mr. UNTERMYER. H. P. Claffin & Co. was the old firm?

Mr. DAVISON. It was; and still is.

Mr. UNTERMYER. Do you remember how many millions of securities have been issued through your house for the United Dry Goods Co.?

Mr. DAVISON. I do not. But you have a list. All we issued appears here.

Mr. UNTERMYER. Yes; the United Dry Goods Co., 100,000 shares of preferred and 22,500 shares of common, in 1909; \$10,000,000 of preferred and \$2,500,000 of common.

Mr. DAVISON. That is correct; 100,000 shares of preferred and 22,500 shares of the common.

Mr. UNTERMYER. Yes. Did you also buy Lord & Taylor's for them?

Mr. DAVISON. According to this statement we did.

Mr. UNTERMYER. Did you also buy another 19,394 shares of United Dry Goods stock?

Mr. DAVISON. We did.

Mr. UNTERMYER. Have you any representation on the board?

Mr. DAVISON. None whatever.

Mr. UNTERMYER. Did you place all this stock for them?

Mr. DAVISON. I do not recall the details of the transaction. If we bought it we either placed it all or have some of it left.

Mr. UNTERMYER. What is the total capital of the United Dry Goods?

Mr. DAVISON. I do not recall.

Mr. UNTERMYER. How many dry-goods concerns, besides H. B. Claffin & Co., which is a jobbing concern, does it own in New York City?

Mr. DAVISON. I do not even know that. We have never had anything whatever to do with the dry-goods business or with the conduct of its business. We have taken it entirely on Mr. Claffin's say so and on the statements presented by him. We have in these instances financed his corporations through him.

Mr. UNTERMYER. You have issued about \$20,000,000 of securities there, or nearly that, have you not?

Mr. DAVISON. Yes.

Mr. UNTERMYER. And do I understand you to say that you do not know what properties or businesses are owned by the company on which you have issued \$20,000,000 of securities?

Mr. DAVISON. You understand me to say that we never have investigated the dry-goods business ourselves, and are not in any sense in touch with it except through Mr. Claflin.

Mr. UNTERMYER. Yes; but what I want to know is this: Having issued about \$20,000,000 of these securities, can you not tell us which of the large stores in New York and throughout the country have been brought together into that company?

Mr. DAVISON. I am sorry, but I can not. I think that Claflin owns—I think that he has McCreary's.

Mr. UNTERMYER. And Adams?

Mr. DAVISON. And Lord & Taylor; and I think Adams.

Mr. UNTERMYER. And O'Neill's?

Mr. DAVISON. I do not know.

Mr. UNTERMYER. And what businesses throughout the country are included in that company?

Mr. DAVISON. I will have to suffer the embarrassment and say that I do not know, for I do not.

Mr. UNTERMYER. Did you participate in the flotation of securities of a rubber company and a cement company and a locomotive company?

Mr. DAVISON. Just a moment, please. A rubber company?

Mr. UNTERMYER. Yes. What is the name of it?

Mr. DAVISON. The United States Rubber Co.

Mr. UNTERMYER. You were interested in that, were you not?

Mr. DAVISON. Yes.

Mr. UNTERMYER. But is there not another rubber company in which you were interested?

Mr. DAVISON. In which we issued?

Mr. UNTERMYER. Yes.

Mr. DAVISON. No, sir.

Mr. UNTERMYER. Or in which you joined some Boston house in the issue?

Mr. DAVISON. Not so far as I know.

Mr. UNTERMYER. What was the transaction in the United States Rubber Co.?

Mr. DAVISON. In 1908 we purchased, jointly with the First National, Blair & Co., and Kidder, Peabody & Co., \$8,000,000 of collateral funding 5 per cent notes.

Mr. UNTERMYER. Did you assist in the financing of a cement company?

Mr. DAVISON. We did.

Mr. UNTERMYER. What was that?

Mr. DAVISON. The Atlas Portland Cement Co.

Mr. UNTERMYER. That was when?

Mr. DAVISON. In August, 1910.

Mr. UNTERMYER. And what was that, an issue of notes?

Mr. DAVISON. As a matter of fact, we made a loan to the Atlas Co. of \$4,000,000. We took notes of the company for \$4,000,000.

Mr. UNTERMYER. What was your connection with the Baldwin Locomotive Works?

Mr. DAVISON. Our Philadelphia house, Drexel & Co., I think, were associated with others in some financing of the Baldwin Locomotive Works a year or two ago.

Mr. UNTERMYER. Which house?

Mr. DAVISON. Drexel & Co.

Mr. UNTERMYER. In what way were you associated?

Mr. DAVISON. That was entirely a Philadelphia matter.

Mr. UNTERMYER. But it is the same firm?

Mr. DAVISON. I understand.

Mr. UNTERMYER. With the same partners?

Mr. DAVISON. But I do not know.

Mr. UNTERMYER. And the same treasury?

Mr. DAVISON. I do not know.

Mr. UNTERMYER. Let us see if I can refresh your recollection.

Mr. DAVISON. I do not think you can, because I do not think I ever had any.

Mr. UNTERMYER. The question is whether you want to remember.

Mr. DAVISON. No; I beg your pardon; it does not depend upon that at all.

Mr. UNTERMYER. Was it a \$10,000,000 issue of first mortgage 5 per cent bonds?

Mr. DAVISON. I should say it was not, but I do not know.

Mr. UNTERMYER. Why should you say it was not, unless you know what it was?

Mr. DAVISON. In the first place, you are asking if you can refresh my memory, and I am telling you I do not think you can, because I do not think I had much memory on the subject; but I am quite positive that it was a stock transaction and not a bond transaction. I am not saying that Drexel & Co. did not have dealings with the Baldwins in bonds, but I do not know of any such transaction as that.

Mr. UNTERMYER. What was the nature of this stock transaction; the purchase of preferred stock, was it not?

Mr. DAVISON. That is my recollection.

Mr. UNTERMYER. What was the issue, \$25,000,000?

Mr. DAVISON. As I recall it, it was a recapitalization of the company; and my recollection is that there was \$10,000,000 of preferred and \$20,000,000 of the common. I may be wrong about that. I do not like to go on record about that, but that is my recollection of it.

Mr. UNTERMYER. Was not some of this placed in New York through your house?

Mr. DAVISON. I think not.

Mr. UNTERMYER. In what year was that?

Mr. DAVISON. I think it was in 1911—1910 or 1911.

Mr. UNTERMYER. Which of the partners of your firm is represented on the board there?

Mr. DAVISON. Mr. Stotesbury, I think, is the one.

Mr. UNTERMYER. Let me see if I can not refresh your recollection as to your really having an interest in the American Agricultural Chemical Co. Do you not recall that you took a participation from Lee, Higginson & Co. in the 5 per cent bonds that were issued by that company?

Mr. DAVISON. I have not the slightest recollection of it.

Mr. UNTERMYER. Do you not recall that? That was in 1908. I guess that was before you came into the firm of J. P. Morgan & Co.

Mr. DAVISON. That was before I went with the firm.

Mr. UNTERMYER. And you do not know whether your firm was interested in both the American Agricultural Chemical Co. and the International Agricultural Corporation?

Mr. DAVISON. I do not know that our firm are not in any way interested in the American Agricultural Chemical Co.

Mr. UNTERMYER. Do you know whether they were interested?

Mr. DAVISON. They never have been, so far as I know.

Mr. UNTERMYER. There is in evidence among the statements put in here of transactions of Lee, Higginson & Co. one of the American Agricultural Chemical Co., September and October, 1908, \$8,000,000 of bonds, in which the Chase National Bank, the National City Bank, and J. P. Morgan & Co. participated.

Mr. DAVISON. That undoubtedly is true, then; but that was before I went with the firm.

Mr. UNTERMYER. You are not a director in the Chase Bank?

Mr. DAVISON. I am not.

Mr. UNTERMYER. Whilst you were with the First National Bank it owned the Chase Bank, did it not?

Mr. DAVISON. No; it never owned the Chase Bank. The First National Bank never owned the Chase Bank.

Mr. UNTERMYER. It owned it through Mr. Baker?

Mr. DAVISON. Mr. Baker had that interest to which he testified.

Mr. UNTERMYER. Yes.

Mr. DAVISON. When I was with the First National Bank; yes.

Mr. UNTERMYER. Do you know the interest of Messrs. Stillman, Morgan, and Rockefeller in the City Bank? Are you familiar with that?

Mr. DAVISON. I read in the morning paper the stockholders.

Mr. UNTERMYER. That is all you know about it?

Mr. DAVISON. No; that is not all I know about it. I know the interest of Morgan; that is all I know about it.

Mr. UNTERMYER. That is all you know. How many directors has the Bankers' Trust Co., do you know?

Mr. DAVISON. I think it is 21; I may be mistaken.

Mr. UNTERMYER. And the Bank of Commerce?

Mr. DAVISON. The Bank of Commerce has 38 directors.

Mr. UNTERMYER. I think the Bankers' Trust has 30?

Mr. DAVISON. It may be 21 local in New York.

Mr. UNTERMYER. Has not the Bank of Commerce 40?

Mr. DAVISON. No; I happen to remember that the number has just been reduced from 40 to 38.

Mr. UNTERMYER. When was it reduced from 40 to 38?

Mr. DAVISON. Within a day or two; within a few days.

Mr. UNTERMYER. Who retired?

Mr. DAVISON (after examining list). I can not recall. One of them was Burton Ives; and I think the other change was due to a death, but it does not show here, and I can not say.

Mr. UNTERMYER. The Guaranty Trust has 29 directors, has it not?

Mr. DAVISON. I think so.

Mr. UNTERMYER. Do you approve of these large directorates of banks?

Mr. DAVISON. No; not generally.

Mr. UNTERMYER. Do you not think it scatters responsibility when it ought to be concentrated?

Mr. DAVISON. Yes; I believe it does.

Mr. UNTERMYER. What would you consider a workable force, in number of directors?

Mr. DAVISON. Fifteen or eighteen.

Mr. UNTERMYER. And an executive committee, say, of five?

Mr. DAVISON. I should say five or seven.

Mr. UNTERMYER. These large directorates have been brought about principally through consolidation, have they not?

Mr. DAVISON. They have; yes, sir.

Mr. UNTERMYER. And the desire of the banks that were amalgamated to have representation on the new board?

Mr. DAVISON. Largely.

Mr. UNTERMYER. Did you negotiate the purchase of the various banks and trust companies that were taken in by the Guaranty Trust and the Bankers Trust?

Mr. DAVISON. Do you mean all of them?

Mr. UNTERMYER. Yes.

Mr. DAVISON. No; I did not.

Mr. UNTERMYER. There were seven taken in all together, were there not?

Mr. DAVISON. You have it in mind.

Mr. UNTERMYER. The Bankers Trust took in two, did it not?

Mr. DAVISON. Yes; that is two, and the Guaranty Trust took in the Morton and the Fifth Avenue and the Standard. That is all. They took in three. There were five, all told.

Mr. UNTERMYER. I think that is right. I think there were seven altogether, including those two.

Mr. DAVISON. Yes; including the two.

Mr. UNTERMYER. With which of those did you negotiate?

Mr. DAVISON. Each one is more or less a story by itself, Mr. Untermyer.

Mr. UNTERMYER. If it is a long story we will skip it, but if you can tell us by naming them which of those you negotiated, we would like to have you name them.

Mr. DAVISON. I would have to say that I did not negotiate any of them alone.

Mr. UNTERMYER. I did not say alone. Were you concerned in negotiating all of them?

Mr. DAVISON. Yes; I was concerned.

Mr. UNTERMYER. And in each instance you had a different associate?

Mr. DAVISON. Well, that is not altogether so. I was not concerned in the negotiations in regard to the Standard or the negotiations which led up to the merger of the Mercantile.

Mr. UNTERMYER. Is a large part of the business in deposits of the Bankers Trust and the Guaranty Trust made up of the deposits of corporations whose securities have been issued by J. P. Morgan & Co. or those affiliated with J. P. Morgan & Co.?

Mr. DAVISON. No, sir.

Mr. UNTERMYER. Have you any list showing what proportion of their resources comes from corporations whose business you have directed there?

Mr. DAVISON. That question we inquired into.

Mr. UNTERMYER. Have you made up any statement?

Mr. DAVISON. Yes.

Mr. UNTERMYER. And have you it with you?

Mr. DAVISON. I do not know; I do not believe we have.

Mr. UNTERMYER. We would rather not have any guesses. We would rather have the facts.

Mr. DAVISON. Well, I have not. You did not ask for it. I looked it up.

Mr. UNTERMYER. No; I understand that I did not.

Mr. DAVISON. Would you like that for the record?

Mr. UNTERMYER. Unless it discloses some information that you feel you ought not to disclose.

J. P. Morgan & Co. are not of any use to them, are they?

Mr. DAVISON. Oh, yes; I hope so.

Mr. UNTERMYER. You are not a valuable alliance?

Mr. DAVISON. On the contrary, I think we are.

Mr. UNTERMYER. Do you think that the assets of a national bank should be regarded as secret, private, personal information, and not available to depositors?

Mr. DAVISON. No; I do not feel that very strongly. I do not see any objection to the assets of a national bank being known.

Mr. UNTERMYER. Do you not think they ought to be known, in justice to intending depositors?

Mr. DAVISON. I do, if there is any desire on the part of the public to know them.

Mr. UNTERMYER. Regardless of desire, the public have a right to know them if they want to resort to the information?

Mr. DAVISON. That is what I intended to state.

Mr. UNTERMYER. So that you would favor an amendment to the law in that respect?

Mr. DAVISON. I should say so.

Mr. UNTERMYER. And would that also apply to publicity of the list of stockholders?

Mr. DAVISON. No; it would not.

Mr. UNTERMYER. Why should not people dealing with a bank know who really owns the bank?

Mr. DAVISON. Of what moment is it, really, in practice, to a man dealing with a bank, to know who owns it—to know where its stock is?

Mr. UNTERMYER. Do you think it is of no moment at all?

Mr. DAVISON. It is inconceivable that it is of any moment in practice, from my observation and experience.

Mr. UNTERMYER. Then you think it is of no moment to the people dealing with a bank to know whether some particular individual dominates it and owns it?

Mr. DAVISON. I did not understand you were speaking about domination and control. I thought you were asking about stockholders.

Mr. UNTERMYER. I am speaking of stock ownership. Suppose a man owns the majority of the stock of a bank, and that he has the power of domination and control in that way. Do you think that is not a matter of interest to the public and depositors?

Mr. DAVISON. I think the public would find that out if it was of any interest to it.

Mr. UNTERMYER. Do you not think they are entitled to know?

Mr. DAVISON. No; Mr. Untermyer. I can see an objection.

Mr. UNTERMYER. What is the objection to it?

Mr. DAVISON. The objection to it is to posting up on your list the stockholdings of various individuals. Men do not like to have their private affairs all known. A man may have 100 shares of stock, and it is an investment he wants, and he keeps it quiet. He does not like to have everybody know what he owns.

Mr. UNTERMYER. You think that is a good and sufficient reason for people dealing in the dark with a bank, as to the ownership of the bank?

Mr. DAVISON. If I saw a good reason for publishing it I would change my views.

Mr. UNTERMYER. Are you a devotee of the principle that character is the thing that governs?

Mr. DAVISON. I am.

Mr. UNTERMYER. You are?

Mr. DAVISON. I am.

Mr. UNTERMYER. Do you not think that the character of a man, the identity of a man, who may own control of a bank is an important factor to the public?

Mr. DAVISON. The public always knows it.

Mr. UNTERMYER. Will you not answer my question? Is not that an important factor?

Mr. DAVISON. Will you repeat that question?

The stenographer repeated the question.

Mr. DAVISON. Who may own control of a bank?

Mr. UNTERMYER. Yes.

Mr. DAVISON. Yes; I do. I think it is inconceivable that the public would not know it.

Mr. UNTERMYER. How is the public to know it if the information is to be withheld from it and kept secret?

Mr. DAVISON. On your theory, he would know it by the conduct of the bank.

Mr. UNTERMYER. You think that would point to the identity of a man?

Mr. DAVISON. I think it would be very apt to.

Mr. UNTERMYER. I did not know that I had any theory. I was trying to get yours.

Mr. DAVISON. Well, I will try and give them to you.

Mr. UNTERMYER. Do you know how many banks and trust companies there are in the United States that have the right to lend to a single debtor a million dollars or over?

Mr. DAVISON. No; I do not.

Mr. UNTERMYER. How is a committee of Congress, or one-half of Congress, or any other committee of any other body, to find out whether a bank and its assets are being used improperly by people who may dominate its affairs, without being able to go into the affairs of that bank and determine to whom the bank is lending its money? Will you, as a banking man, tell me how the committee

would be able to get that information without knowing these facts and having access to them?

Mr. DAVISON. My observation and experience, Mr. Untermeyer, is that when there is occasion to know that fact, it always is known.

Mr. UNTERMYER. That is not the question, and you have not come anywhere near answering my question. How is this committee, or any other committee, to be able to ascertain for itself whether a bank is being improperly used without access to that information?

Mr. DAVISON. I do not think that this committee should undertake to ascertain that information.

Mr. UNTERMYER. Nobody has asked you that question, and with all due respect, we are not concerned with your views on that question. I am asking you as a banking man how this committee could ascertain the facts which Congress says it shall ascertain whether you think it is right or not that they should be ascertained, without access to the affairs of the bank?

Mr. DAVISON. My answer is that Congress may have said that, but Congress has also said that the affairs of a national bank shall not be made public, and I believe that is good law, and therefore there is not any way until you change the law.

Mr. UNTERMYER. There, again, we are not concerned in your views of the law. The question is, as a banking man can you tell us how this committee could ascertain whether a bank is being improperly used, whether its assets are being used in a particular instance improperly, without access to the loans of that bank? Do you know of any way? That is the question. I have asked it four times.

Mr. DAVISON. No; I do not know of any way.

Mr. UNTERMYER. Do you know anything about the Western Electric Co.?

Mr. DAVISON. In a general way I know something of it.

Mr. UNTERMYER. Is it a competitor of the General Electric Co.?

Mr. DAVISON. I understand so; a very active competitor.

Mr. UNTERMYER. Are Morgan & Co. bankers for the General Electric Co.?

Mr. DAVISON. The General Electric have an account with Morgan & Co.

Mr. UNTERMYER. You have made their issues of securities?

Mr. DAVISON. Yes.

Mr. UNTERMYER. And you are their fiscal agents, are you not?

Mr. DAVISON. I do not think so.

Mr. UNTERMYER. They do their banking business through you?

Mr. DAVISON. They do a great deal of banking business. We have handled their securities. We recently handled some of their securities.

Mr. UNTERMYER. You have made all their issues for a number of years?

Mr. DAVISON. That I do not know.

Mr. UNTERMYER. Do you know of any that you have not made?

Mr. DAVISON. I do not know of any that we have made, except two issues, I think it was—one several years ago and one recently.

Mr. UNTERMYER. The question is, Do you know of any that you have not made?

Mr. DAVISON. Well——

Mr. UNTERMYER. The last that you made was in September, 1912, was it not?

Mr. DAVISON. Yes; that is what I said.

Mr. UNTERMYER. \$12,000,000?

Mr. DAVISON. Yes.

Mr. UNTERMYER. Who was joined with you? Was it not the First National Bank; Lee, Higginson & Co.; and the National City Bank?

Mr. DAVISON. It was, if it says so there.

Mr. UNTERMYER. No, no.

Mr. DAVISON. Excuse me. I will find out. [After examination of papers.] Yes; it was Lee, Higginson & Co. and the First National Bank and the National City Bank.

Mr. UNTERMYER. Were you interested in two issues of the Western Electric Co. of first mortgage bonds—one made in January, 1910, and one in November, 1910?

Mr. DAVISON. I have no recollection of it.

Mr. UNTERMYER. One issue of \$8,750,000 made by Lee, Higginson & Co.—do you remember anything about that?

Mr. DAVISON. I have no recollection of it whatever.

Mr. UNTERMYER. I call your attention to Exhibit No. 216, of an issue through Lee, Higginson & Co., November, 1910, Western Electric Co. first mortgage 5 per cent bonds, in which J. P. Morgan & Co., the Illinois Trust & Savings Bank, and the First Trust & Savings Bank were among the participants? Do you remember anything about that?

Mr. DAVISON. I have no recollection of it whatever. If that list was submitted by Lee, Higginson & Co. it is undoubtedly true.

Mr. UNTERMYER. Are you in the habit of participating in the issues of companies that compete with the companies for which you are bankers or whose securities you are issuing?

Mr. DAVISON. It would depend entirely upon the circumstances.

Mr. UNTERMYER. But you would not object to doing so, would you?

Mr. DAVISON. Not necessarily; no, sir.

Mr. UNTERMYER. You say that they are active competitors. Are Lee, Higginson & Co. their bankers?

Mr. DAVISON. I really do not know. I infer from what you state that they must be.

Mr. UNTERMYER. Do you believe in holding companies or do you share Mr. Schiff's view that holding companies should be prevented?

Mr. DAVISON. I would not want to be misunderstood on this. Generally speaking, I think I have a prejudice against holding companies.

Mr. UNTERMYER. Most of the companies that your firm have organized in the industrial world have been holding companies, have they not?

Mr. DAVISON. Yes, but——

Mr. UNTERMYER. Can you name any that have not been?

Mr. DAVISON. In that respect I would qualify my opinion.

Mr. UNTERMYER. You mean you would qualify it by excluding those you have organized?

Mr. DAVISON. No; I beg your pardon; that is not my qualification, and I was careful to state that on general principles I do not believe in holding companies. But I believe there are conditions which warrant them and in which that is the proper way of handling the business.

Mr. UNTERMYER. Will you be good enough to name any industrial companies, of all those organized by J. P. Morgan & Co., that were not organized as holding companies?

Mr. DAVISON. I am not familiar with the organization of the United States Steel Corporation.

Mr. UNTERMYER. Do you not know that that was a holding company, and is so to-day?

Mr. DAVISON. You interrupted me. In practice I will say this, that I do not see the real difference between the entity of those subsidiaries being kept or their being merged. In that case, if I believed in combination at all, I do not see any objection to its taking the form of a holding company rather than the form of a merger.

Mr. UNTERMYER. But, Mr. Davison, let us find out whether you favor holding companies or whether you do not favor them, or whether you favor them sometimes and do not favor them at other times, or whether you have any pronounced view on the subject.

Mr. DAVISON. Well, I am saying in that instance I do not see the difference between an actual merger and the retaining of the entity of the subsidiary and holding it in stock.

Mr. UNTERMYER. Do you not think that if for instance the United States Steel Corporation had acquired, we will say, 70 per cent of the stock of the National Tube Co., by way of illustration, and it then proceeded to use the National Tube Co. as a subsidiary for making the most money for the United States Steel Corporation, there might be many conditions under which that would have been a great wrong to the minority stockholders?

Mr. DAVISON. I do.

Mr. UNTERMYER. And is not that one of the vices of a holding company?

Mr. DAVISON. It may be.

Mr. UNTERMYER. That it may be run for the benefit of the holding company or the parent company, rather than the sole undivided benefit of the subsidiary?

Mr. DAVISON. I think that may even be the case.

Mr. UNTERMYER. I understand that that would not apply to the United States Steel Corporation, because they own nearly all the stock of those companies.

Mr. DAVISON. Yes; it would not apply to them if you believe in the United States Steel Corporation as a whole. I do not see any difference in their holding practically 100 per cent of the stock in their control and having it merged in effect.

Mr. UNTERMYER. Do you believe that three or four or half a dozen men as individuals should be allowed to monopolize any industry, or as many as they can, provided they do not happen to do it through the medium of a holding company?

Mr. DAVISON. I do not know how you can prevent it if they have the financial ability to do it.

Mr. UNTERMYER. As an economic question do you believe that ought to be permitted, and have half a dozen individuals permitted to get a complete monopoly of any industry?

Mr. DAVISON. I have never known any case of that kind that would not correct itself.

Mr. UNTERMYER. Then you do not see any objection to it as long as it does not utilize a holding company, but they just get together

and together own all the industries? You see no economic objection to that?

Mr. DAVISON. If in practice it were wrong it could not live.

Mr. UNTERMYER. You see no objection to anybody having the right to try it on, do you?

Mr. DAVISON. Of course I see an objection to a direct endeavor to make a monopoly, for the purpose of having a monopoly, of anything.

Mr. UNTERMYER. Why would you suppose they would want to have a monopoly except to have a monopoly?

Mr. DAVISON. You say why would they want to have a monopoly except to have a monopoly? Of course I would object in principle to a plan being set forth to acquire a monopoly.

Mr. UNTERMYER. Mr. Schiff has testified here that so long as individuals combined together he would allow them to combine to get a monopoly in any industry, or as many as they chose to, provided they did not do it through the operation of a holding company. Do you agree to that view?

Mr. DAVISON. I would think——

Mr. UNTERMYER. Do you agree to that view?

Mr. DAVISON. I have got to answer that question in my way, or I can not answer it. I would not approve of that being accomplished, but at the same time I know that it can not be accomplished and live. I think these things correct themselves.

Mr. UNTERMYER. Let us see. Suppose, we will say, the beef packers, owning their plants individually, were permitted to combine—you understand?

Mr. DAVISON. Yes.

Mr. UNTERMYER. Into one company, owning them; not having a holding company, but owning them through one company.

Mr. DAVISON. Yes.

Mr. UNTERMYER. And suppose that they represented a monopoly in the business?

Mr. DAVISON. Yes.

Mr. UNTERMYER. You see no economic objection to that?

Mr. DAVISON. I would see no necessity for a law to prevent it.

Mr. UNTERMYER. You would see no necessity for a law preventing it?

Mr. DAVISON. It would correct itself. It could not stand.

Mr. UNTERMYER. Let us see how it would correct itself. You would let it correct itself?

Mr. DAVISON. It would; you could not stop it.

Mr. UNTERMYER. You mean correct itself through what?

Mr. DAVISON. I mean it would break by reason of its character.

Mr. UNTERMYER. How long do you think it would take to break?

Mr. DAVISON. I think it would break immediately.

Mr. UNTERMYER. You think it would break as soon as it was formed?

Mr. DAVISON. It would break in the making.

Mr. UNTERMYER. Have you ever heard of the existence of trusts in this country?

Mr. DAVISON. I just have a faint recollection that I have heard that.

Mr. UNTERMYER. You do not think there is any such thing as a trust, do you?

Mr. DAVISON. I do not know just what you mean by trusts. Of course, in the common acceptation, I know there are trusts.

Mr. UNTERMYER. You know there are trusts and you know that the Supreme Court of the United States have called them trusts?

Mr. DAVISON. Exactly; yes.

Mr. UNTERMYER. You are not opposed to them, are you?

Mr. DAVISON. I would not say that I am not opposed to them in the making, but I certainly was not opposed to them after they were made. I think they are a great blessing to the country.

Mr. UNTERMYER. You think they still are a great blessing?

Mr. DAVISON. Not as great as they were before they were disturbed.

Mr. UNTERMYER. But do you think the disturbance has been unwarranted and that it should be stopped?

Mr. DAVISON. I do not say unwarranted. I think it is unfortunate for the people of the entire world.

Mr. UNTERMYER. You think it has been unfortunate for the people that the Government has attempted at all to interfere with those trusts?

Mr. DAVISON. I am not saying that; not at all. I do not believe in monopoly. I do not believe in oppression and I do not believe in any other thing which is the thing you are attempting to point out, but it is not at all clear that you can just arbitrarily say "This is wrong and that is right." I think that is a matter that requires very great and careful consideration.

Mr. UNTERMYER. Yes; but we are not generalizing quite to that very vague extent. What I want to do is to get a concrete opinion from you as to whether, in your judgment, it was wrong to have interfered with those trusts as the courts have done?

Mr. DAVISON. No; not if they were illegal and violating the law; of course I do not. I would not say that. I think it would have been better, I decidedly think it would have been better, to have approached it the other way and correct the law and put a supervision and control over them. You can not any more disintegrate those trusts in effect and in fact than you can put this continent over on the other side of the Pacific Ocean.

Mr. UNTERMYER. You do not think they can ever be dissolved?

Mr. DAVISON. I do not think they can ever be dissolved. I think they can be, but you can not go back 20 years to the old practices, in my judgment.

Mr. UNTERMYER. You believe, then, in a regulated monopoly?

Mr. DAVISON. I do, decidedly. In a what?

Mr. UNTERMYER. A regulated monopoly under a government control?

Mr. DAVISON. Generally speaking, I do not believe in monopoly.

Mr. UNTERMYER. How near do you believe in coming to that monopoly?

Mr. DAVISON. I think there is a line.

Mr. UNTERMYER. Where is the line?

Mr. DAVISON. General experience and practice will determine that line.

Mr. UNTERMYER. Who is to determine it?

Mr. DAVISON. The public will determine it; the people will determine it.

Mr. UNTERMYER. How is a man to know when he has reached the line?

Mr. DAVISON. The public will intimate it to him.

Mr. UNTERMYER. Whom do you mean by the public?

Mr. DAVISON. I mean conditions.

Mr. UNTERMYER. What do you mean by that?

Mr. DAVISON. The conditions governing and controlling?

Mr. UNTERMYER. These are all vague and visionary terms. What I want to know is who is to determine where the line is to be drawn?

Mr. DAVISON. My drawing of the line for that would be very vague, and I do not want to draw that line.

Mr. UNTERMYER. Is that the best you can do for us on this problem?

Mr. DAVISON. Yes. It is the best I can do. If I have made myself clear, if you put any value on my opinion, I do believe decidedly in control and regulation, but not in disintegration; but I do not believe in monopoly.

Mr. UNTERMYER. You believe in combinations, do you not?

Mr. DAVISON. I do; certainly.

Mr. UNTERMYER. You believe in combinations unrestricted?

Mr. DAVISON. What do you mean by unrestricted? I do not think I do.

Mr. UNTERMYER. As much of a combination as can be put together?

Mr. DAVISON. No; I do not believe in monopoly.

Mr. UNTERMYER. What I want to know is how much competition you think ought to be left open—what limits should be put upon combinations?

Mr. DAVISON. I do not know. That is a very difficult question to answer—whether you can sit down and say it shall be 63 per cent or 71 per cent or 49 per cent; but I think that would take care of itself.

Mr. UNTERMYER. You are opposed to competition, are you not?

Mr. DAVISON. No; I am not.

Mr. UNTERMYER. You are opposed to free competition?

Mr. DAVISON. I am opposed—I would rather have regulation and control than free competition.

Mr. UNTERMYER. You would rather have combination with regulation than uncontrolled competition?

Mr. DAVISON. I would.

Mr. UNTERMYER. How recently did Morgan & Co. buy their interest in the National City Bank?

Mr. DAVISON. Have you not a statement of that?

Mr. UNTERMYER. I have the amount, but not the date. It does not show the date here. That is owned by the firm of J. P. Morgan & Co.?

Mr. DAVISON. Yes.

Mr. UNTERMYER. And its present value is about \$6,000,000?

Mr. DAVISON. About \$6,000,000.

Mr. UNTERMYER. Can you tell us when it was acquired?

Mr. DAVISON. I should say within three or four years. I do not know.

Mr. UNTERMYER. These principal holdings in the Bank of Commerce were acquired within a few years?

Mr. DAVISON. Yes.

Mr. UNTERMYER. Have Mr. Morgan's present holdings in the First National Bank—14,500 shares, his individual holdings—been held by him any length of time; that is the par value, 14,500 shares?

Mr. DAVISON. Yes. As a matter of fact, that is a firm holding, as that statement shows.

Mr. UNTERMYER. You mean the 14,500 shares?

Mr. DAVISON. Yes.

Mr. UNTERMYER. The list of stockholders gives that 14,500 as Mr. Morgan's individual holding.

Mr. DAVISON. Well, it may be in his name, but it belongs to the firm, as was testified to.

Mr. UNTERMYER. You have a thousand shares. That is worth about 1025 at the last quotation?

Mr. DAVISON. The last quotation was about that; yes.

Mr. UNTERMYER. How long has that 14,500 shares been held?

Mr. DAVISON. A good many years.

Mr. UNTERMYER. All of it?

Mr. DAVISON. Yes.

Mr. UNTERMYER. Why, most of it was only recently issued, was it not?

Mr. DAVISON. As a matter of fact, I think it was around 1904 or 1905.

Mr. UNTERMYER. Were you familiar with that increase of stock?

Mr. DAVISON. Only in a very general way.

Mr. UNTERMYER. You were there?

Mr. DAVISON. No; it was farther back than that. It was before 1902.

Mr. UNTERMYER. You made an increase to ten millions?

Mr. DAVISON. Yes. It was over 10 years ago.

Mr. UNTERMYER. Do you know what Mr. Baker did with the 40 per cent of those increased stocks?

Mr. DAVISON. I do not.

Mr. UNTERMYER. You know that only 60 per cent was distributed. do you not?

Mr. DAVISON. No; I understood it was all distributed.

Mr. UNTERMYER. Mr. Baker testified that 40 per cent of it he kept and distributed around.

Mr. DAVISON. Yes; I understand.

Mr. UNTERMYER. Not to the stockholders.

Mr. DAVISON. No.

Mr. UNTERMYER. Do you know what he did with it?

Mr. DAVISON. I do not know.

Mr. UNTERMYER. Have you here a list of the assets of the First Security Co.?

Mr. DAVISON. I have not.

Mr. UNTERMYER. Were you asked to produce such a list?

Mr. DAVISON. Not to my knowledge; no.

Mr. UNTERMYER. Were you not asked to produce a statement of the value of the assets turned over to the First Security when it was organized, at the time they were turned over, and their value at the time of the last statement?

Mr. DAVISON. No, sir; I have never been asked any question with regard to the First Security Co.

Mr. UNTERMYER. I think Mr. Baker was asked.

Mr. DAVISON. I was not.

Mr. UNTERMYER. Suppose this committee should determine to recommend to the House of Representatives that the great banking institutions of New York and the other four reserve cities should be free and kept free from interrelations that are likely to result in a community of interest, and should be made to keep entirely independent of one another, so that no officer or director of one should be permitted to be an officer or director of another potentially competing institution, either directly or through a partner, agent, nominee, or dummy, what effect would the adoption of such a recommendation and the passage of such a law, in your judgment, have on the method of conducting large financial transactions?

Mr. DAVISON. I think it would set us back about 25 years.

Mr. UNTERMYER. Let us see why—why the breaking up of these interlocking directorates is going to set you back at all. Do you not know that in other countries they are not permitted?

Mr. DAVISON. I know nothing of the kind. Do you know it?

Mr. UNTERMYER. One moment. Do you not know that in all the banks of Great Britain there is but one instance in which the same man is a director in any two institutions?

Mr. DAVISON. And do you not know that there are only 116 banks in the entire Great Britain?

Mr. UNTERMYER. I am asking you one question and you are asking me another.

Mr. DAVISON. I am answering you.

Mr. UNTERMYER. No; you are not. I am asking you whether you know that.

Mr. DAVISON. If they only had one bank you would only have to have one directorate.

Mr. UNTERMYER. How many clearing-house banks have you in New York?

Mr. DAVISON. I think there are 63; and there are 17 in London.

Mr. UNTERMYER. Do you not know that in all of Great Britain there is only one instance, and that by special arrangement, in which one man is a director in more than one institution? Do you know it or do you not?

Mr. DAVISON. I know there is no occasion for that, because they are all consolidated, and they have only 116 banks in all of Great Britain.

Mr. UNTERMYER. And in those 116 banks are there any interlocking directors?

Mr. DAVISON. That I can not tell you, but they certainly do not need any.

Mr. UNTERMYER. Are there in Germany or France?

Mr. DAVISON. They do not need any.

Mr. UNTERMYER. Will you answer my question?

Mr. DAVISON. And four banks in France hold 85 per cent. They do not need any interlocking directors.

Mr. UNTERMYER. Do you not know that those four banks in France are absolutely independent?

Mr. DAVISON. Do I not know it?

Mr. UNTERMYER. Will you not answer my question?

Mr. DAVISON. Yes; I know it.

Mr. UNTERMYER. Do you not know that the German banks are divided into independent groups?

Mr. DAVISON. I do not know what you mean by independent groups.

Mr. UNTERMYER. That they have entirely separate management, separate directors, and that there is no identity between them?

Mr. DAVISON. I know nothing of the kind, except that I know quite to the contrary.

Mr. UNTERMYER. In Germany is the same man a director in more than one bank? Name one.

Mr. DAVISON. I am going to name one in answer to that question. There is an institution in Germany known as the Consocien, and there are 15 directors, and those 15 directors represent all the institutions in the city of Berlin, with ramifications all through Germany.

Mr. UNTERMYER. Do you know that the Consocien is a single institution with branch banks?

Mr. DAVISON. Only——

Mr. UNTERMYER. Will you not answer my question?

Mr. DAVISON. What do you mean by a single institution?

Mr. UNTERMYER. It is one corporation.

Mr. DAVISON. Every corporation is one corporation.

Mr. UNTERMYER. It is one corporation.

Mr. DAVISON. Yes; it is one corporation.

Mr. UNTERMYER. And it has branch banks?

Mr. DAVISON. It has branch banks.

Mr. UNTERMYER. You know that the English banks have branch banks?

Mr. DAVISON. I know; about 7,000 of them.

Mr. UNTERMYER. You know French banks have branch banks?

Mr. DAVISON. I do.

Mr. UNTERMYER. Do you know of any one of those banks with its branch banks—do you know of any instance in Germany, France, or England—in which a director is a director in any other bank? If you do, name it.

Mr. DAVISON. I do.

Mr. UNTERMYER. Where?

Mr. DAVISON. The Banque de la Machine, in Paris.

Mr. UNTERMYER. Who is a director in that bank who is a director in any other bank?

Mr. DAVISON. The directors of the Banque de la Machine are directors of all the banks.

Mr. UNTERMYER. They are only directors in their own branches?

Mr. DAVISON. Not at all; they are directors in the important banks of the Comptoir D'Escompte, the Société General, and the Credit Lyonnais. Talk about consolidation, we have only started in this country.

Mr. UNTERMYER. Do you not know that it is not permitted by law for a man to be a director in more than one bank in France?

Mr. DAVISON. Where; in France?

Mr. UNTERMYER. Yes.

Mr. DAVISON. I do not know that.

Mr. UNTERMYER. Do you know anything about it?

Mr. DAVISON. Yes; I think I do.

Mr. UNTERMYER. Where did you get your information?

Mr. DAVISON. I got it in Paris as to France.

Mr. UNTERMYER. Do you know the regulation as to Belgium.

Mr. DAVISON. I am not familiar with the laws of Belgium.

Mr. UNTERMYER. You speak of France; you are familiar with France, are you not.

Mr. DAVISON. More or less.

Mr. UNTERMYER. Do you not know as to the Bank of France that its charter does not permit any director to be chosen from the banking interests; that he must be chosen from the commercial and industrial classes?

Mr. DAVISON. That is very possible.

Mr. UNTERMYER. That is right.

Mr. DAVISON. That is very possible.

Mr. UNTERMYER. Do you know why the Bank of France excludes bankers from its board of directors?

Mr. DAVISON. No; I do not.

Mr. UNTERMYER. Do you know the policy of the law?

Mr. DAVISON. Of the law?

Mr. UNTERMYER. Of the French law that excludes them? Is it not because they do not want them to be dealing with themselves?

Mr. DAVISON. I do not understand that they are dealing with themselves.

Mr. UNTERMYER. How about the English law? Do you know about the rule there?

Mr. DAVISON. I think I know something about it.

Mr. UNTERMYER. Do you know that under the charter of the English law bankers and brokers and bill discounters and directors of other banks operating in England are excluded as directors?

Mr. DAVISON. Yes.

Mr. UNTERMYER. Do you know that law?

Mr. DAVISON. No; do you?

Mr. UNTERMYER. Yes.

Mr. DAVISON. Well, it is not so—not in our interpretation.

Mr. UNTERMYER. Well, it is so, and the Monetary Commission has so reported.

Mr. DAVISON. I beg your pardon. Baring Bros. & Co. are bankers, according to my interpretation.

Mr. UNTERMYER. I am reading from a reference book, page 8.

Mr. DAVISON. I am entirely familiar with that.

Mr. UNTERMYER. You are?

Mr. DAVISON. I am entirely familiar with it. It does exclude "bankers," but what we call bankers they call merchants.

Mr. UNTERMYER. I refer you to Senate Document 405. Have you ever read it—the Monetary Commission's report?

Mr. DAVISON. Yes; I have. But the head of the house of Baring Bros. & Co., who are bankers, and who are doing this financing which you are calling attention to, is on the board of the Bank of England, and he is called a merchant.

Mr. UNTERMYER. I am asking you as to the law in England.

Mr. DAVISON. Yes.

Mr. UNTERMYER. And I am asking you as to the Bank of Belgium.

Mr. DAVISON. I think we ought to deal with first-class powers on this subject.

Mr. UNTERMYER. I have dealt with England and France.

Mr. DAVISON. And I have shown that we have not started in concentration as compared with them.

Mr. UNTERMYER. Are you in favor of further concentration?

Mr. DAVISON. It depends upon the development of the country.

Mr. UNTERMYER. Taking the situation as it is to-day, are you in favor of further concentration in New York?

Mr. DAVISON. What do you mean by further concentration?

Mr. UNTERMYER. You have been talking about concentration. Let us take it according to what you think you mean. Are you in favor of further concentration in the banking interests in New York and through the country?

Mr. DAVISON. I say that it depends entirely on the development of the country. As the country has developed to-day, as it stands to-day, and as the requirements of commerce are, I think the resources are sufficient to take care of it.

Mr. UNTERMYER. We are not talking about resources; we are talking of the concentration of existing resources.

Mr. DAVISON. So am I.

Mr. UNTERMYER. I ask you whether you are in favor of further concentration, and I would like you to answer that question?

Mr. DAVISON. I answer that question by saying that it depends entirely upon the development of commerce and industry of this country?

Mr. UNTERMYER. Well, taking the development of commerce and industry in this country at its present stage of development this afternoon, are you in favor of further concentration?

Mr. DAVISON. I should say that the bank facilities in New York are quite competent to take care of all the business that comes to New York.

Mr. UNTERMYER. Are you in favor of further concentration?

Mr. DAVISON. I decline to answer the question beyond what I have answered.

Mr. UNTERMYER. You know whether you are or not?

Mr. DAVISON. I have answered your question.

Mr. UNTERMYER. You have not told me whether you favor further concentration or not.

Mr. DAVISON. I have told you that I believe the bank resources of New York are quite sufficient to-day to take care of commerce. But if you go on and disintegrate all the business of the country I think we can get along with less resources.

Mr. UNTERMYER. Without scolding the law and the courts, which it is not necessary to do at this time, will you be good enough to tell us what the question of the resources has to do with the question of concentration of those resources? I am asking you to tell me by a plain answer whether you favor further concentration of existing resources?

Mr. DAVISON. And my answer is, not until the commerce and the requirements of the development of the commerce and industry of this country require it.

Mr. UNTERMYER. If two banks, each with one hundred millions of resources, get into the hands of the same man, does that increase the resources of the country?

Mr. DAVISON. In the first place——

Mr. UNTERMYER. Does it or not?

Mr. DAVISON. If they are in the hands of the same man, why do you not merge them?

Mr. UNTERMYER. I say, does it?

Mr. DAVISON. What is your hypothesis?

Mr. UNTERMYER. If two banks, owned each by one man or owned by two groups of men, get into the hands of one man or two men, it does not increase the resources of those two men?

Mr. DAVISON. It certainly does not. The ownership does not increase the resources.

Mr. UNTERMYER. Now, then, would the concentration and combination of all the banks in New York increase the banking resources?

Mr. DAVISON. By that one act alone?

Mr. UNTERMYER. Yes.

Mr. DAVISON. No; but that act has a good deal of influence upon other acts.

Mr. UNTERMYER. Of course if they were all concentrated with one person, he would be better able to oppose all new competition and extinguish it, would he not?

Mr. DAVISON. He would have greater control and authority; yes.

Mr. UNTERMYER. So that he could make these resources more powerful than they would be in the hands of different men?

Mr. DAVISON. I did not refer to the power of resources.

Mr. UNTERMYER. Well, I do.

Mr. DAVISON. Well, I do not.

Mr. UNTERMYER. I am asking the question just now. Do you not think that it would increase the power of that man, when the resources were concentrated, over and above the power of the different men? In other words, if these resources were concentrated, would they not have greater power and efficacy than if they were scattered, just like the energies of men if they were scattered?

Mr. DAVISON. No; I would not think so. There are only 100 cents in every dollar.

Mr. UNTERMYER. If that is so, there is not much use in concentration, is there?

Mr. DAVISON. I think there is.

Mr. UNTERMYER. If there are only 100 cents in every dollar, and these resources scattered are just as effective as when they are concentrated, do you think there would be any use in concentration under those circumstances?

Mr. DAVISON. It depends upon what you mean by "effective."

Mr. UNTERMYER. Taking your meaning of effective, would there be any difference?

Mr. DAVISON. Would there be any difference in what?

Mr. UNTERMYER. Would those resources give greater power in the hands of one man than if they were scattered?

Mr. DAVISON. I think it is an undeniable fact that the more the resources of an individual increase the more he has power.

Mr. UNTERMYER. Within what length of time has it been that J. P. Morgan & Co. have done most of their issuing business in joint account? Has it been within your time?

Mr. DAVISON. No; I think it was a little before my time.

Mr. UNTERMYER. You think it started a little before your time?

Mr. DAVISON. I think it started a little before my time. In fact, the evidence shows that it did.

Mr. UNTERMYER. Were you concerned in the sale by the First Security Co. of 15,000 shares of its 28,000 shares of Chase Bank stock?

Mr. DAVISON. You mean was I concerned in the sale?

Mr. UNTERMYER. Did you take part in the sale?

Mr. DAVISON. I did not.

Mr. UNTERMYER. Are you not a director in the First Security Co.?

Mr. DAVISON. I am.

Mr. UNTERMYER. Did they sell the stock without the consent of the directors?

Mr. DAVISON. I do not think they did, but I personally was not consulted in that matter.

Mr. UNTERMYER. Did you get any of the stock?

Mr. DAVISON. I did not, but I hope I am going to get 100 shares of it.

Mr. UNTERMYER. Out of the 15,000?

Mr. DAVISON. Out of the 15,000.

Mr. UNTERMYER. That is all you are looking for?

Mr. DAVISON. That is all I expect.

Mr. UNTERMYER. Who is getting the rest?

Mr. DAVISON. I do not know. Mr. Wiggin asked me one day——

Mr. UNTERMYER. I say you do not know who got the rest?

Mr. DAVISON. I do not. In reply to your last question I would like to say that J. P. Morgan & Co. and its associates in any way are not getting any of that stock, so far as I know, with that exception.

Mr. UNTERMYER. Are you opposed to the incorporation of clearing houses?

Mr. DAVISON. I have not given quite enough thought to the subject to answer.

Mr. UNTERMYER. Have you not made up your mind?

Mr. DAVISON. No.

Mr. UNTERMYER. Have you made up your mind?

Mr. DAVISON. If I were to answer it now I would say I am opposed to it. So far as my mind acts now, I am opposed to it.

Mr. UNTERMYER. Have you made up your mind?

Mr. DAVISON. I think a voluntary association is much more effective than a forced one.

Mr. UNTERMYER. You think the less legal restrictions, the better it would be?

Mr. DAVISON. In that character of organization; yes.

Mr. UNTERMYER. If there were no laws you would be better off, you think?

Mr. DAVISON. We would be much better off without many.

Mr. UNTERMYER. I have no doubt; and that applies to the stock exchange?

Mr. DAVISON. Yes; I think it would be a mistake to incorporate the stock exchange.

Mr. UNTERMYER. And you think it would be a mistake also to prevent a corporation, with large numbers of shareholders, from putting their money on deposit with private bankers?

Mr. DAVISON. Yes.

Mr. UNTERMYER. You think it would be a great mistake?

Mr. DAVISON. I think that would be most unfortunate.

Mr. UNTERMYER. That is a purely impartial view?

Mr. DAVISON. Entirely so.

At 5 o'clock p. m. the subcommittee adjourned until tomorrow, Friday, January 24, 1913, at 11 o'clock a. m.

EXHIBIT 201, JANUARY 22, 1913.

Form 040.

OFFICE OF J. S. BACHE & CO.

Bankers & Brokers, 42 Broadway, New York.

To _____

Please note that in compliance with your instructions we have this day sold for your account and risk:

Quantity.	Description.	Price.	Time.	To whom sold.	Com. & tax.	

which we now confirm.

Yours, truly,

J. S. BACHE & Co.,
Per _____.

It is agreed between broker and customer:

1. That all transactions are subject to the rules and customs of the New York Stock Exchange and its clearing house.
2. That all securities from time to time carried in the customer's marginal account, or deposited to protect the same, may be loaned by the broker, or may be pledged by him either separately or together with other securities, either for the sum due thereon or for a greater sum, all without further notice to the customer.

EXHIBIT 201A, JANUARY 22, 1913.

Form 041.

OFFICE OF J. S. BACHE & CO.

Bankers & Brokers, 42 Broadway, New York.

To _____

Please note that in compliance with your instructions we have this day bought for your account and risk:

Quantity.	Description.	Price.	Time.	Of whom bought.	Commis- sion.	

It is agreed between broker and customer:

1. That all transactions are subject to the rules and customs of the New York Stock Exchange and its clearing house.
2. That all securities from time to time carried in the customer's marginal account or deposited to protect the same may be loaned by the broker or may

be pledged by him either separately or together with other securities, either for the sum due thereon or for a greater sum, all without further notice to the customer.

which we now confirm.

Yours, truly,

J. S. BACHE & Co.,
Per _____

EXHIBIT 201½, JANUARY 22, 1913.

NATIONAL CITY BANK OF NEW YORK.

Capital.....	\$25, 000, 000
Surplus.....	\$25, 000, 000
Total number of shareholders.....	917
Number of shareholders holding 1,000 shares or over.....	47

List of shareholders holding 1,000 shares or over.

Name.	Address.	Number of shares.
Armour, J. Ogden.....	Chicago, Ill.....	1,000
Astor, Wm. Waldorf.....	New York, N. Y.....	1,253
Bacon, Robert.....	do.....	1,000
Bessemer Investment Co.....	do.....	1,000
Dodge, Cleveland H.....	do.....	2,500
Fairchild, Chas. S.....	Cazenovia, N. Y.....	1,125
Gardiner, Sarah T.....	New York, N. Y.....	1,000
Hart, Benjamin (estate of).....	Paris, France.....	1,000
Harkness, Edward S.....	New York, N. Y.....	1,250
Harkness, Charles W.....	do.....	1,250
Harriman, Mary W.....	do.....	1,000
Havemeyer, Louise W.....	do.....	1,350
Howland, Horace F.....	do.....	1,000
Iselin, A., & Co.....	do.....	2,165
Kane, John Grenville (estate of).....	do.....	1,512
Kidder, Peabody & Co.....	Boston, Mass.....	1,000
Lewis, Frederick E.....	Ridgefield, N. J.....	3,207
Lewis, Percy P.....	Bedford Village, N. Y.....	3,207
Morgan, J. P.....	New York, N. Y.....	5,000
Morgan, J. P., Jr.....	do.....	1,000
Morgan, J. P., & Co.....	do.....	9,000
Moulton, Catherine T.....	South Orange, N. J.....	3,207
Palmer, Stephen S.....	Princeton, N. J.....	2,242
Phelps, Wm. Walter, estate of.....	New York, N. Y.....	2,437
Prince, F. H., & Co.....	Boston, Mass.....	1,162
Pyne, M. Taylor.....	Princeton, N. J.....	8,267
Pyne, M. Taylor, and Stephen S. Palmer, trustees for Kate W. Winthrop.....	do.....	7,699
Pyne, M. Taylor, and Stephen S. Palmer, trustees for Henry A. C. Taylor.....	do.....	7,699
Pyne, Percy R.....	Bernardsville, N. J.....	8,267
Rockefeller, Wm.....	New York, N. Y.....	10,000
Rockefeller, John D.....	do.....	1,750
Russell, Albertina T.....	Princeton, N. J.....	8,267
Sloan, Samuel, estate of.....	New York, N. Y.....	6,250
Sterling, John W.....	do.....	6,087
Stillman, James.....	do.....	47,498
Stillman, James A.....	do.....	2,250
Stillman, Chas. C.....	do.....	1,000
Stillman, Ernest G.....	do.....	1,100
Taylor, Henry A. C.....	Newport, R. I.....	2,659
Thompson, Elizabeth.....	New York, N. Y.....	1,000
Thompson, Mary G.....	do.....	1,600
Thompson, Chas. G.....	do.....	1,700
United States Trust Co. of New York.....	do.....	4,500
Watson, Emily A.....	do.....	2,225
Whittell, George.....	do.....	2,900
Winthrop, Kate W.....	do.....	1,924
Woodward, William.....	do.....	1,710

EXHIBIT No. 202, JANUARY 22, 1913.

CONTINENTAL-COMMERCIAL NATIONAL BANK, OF CHICAGO, ILL.

Capital.....	\$21,500,000
Surplus.....	\$8,000,000
Total number of shareholders.....	1,610
Number of shareholders holding 1,000 shares or over.....	42

List of shareholders holding 1,000 shares or over.

Name.	Address.	Number of shares.
Allen, Chas. W., estate of.....	Kenosha, Wis.....	1,500
Allen, Nathan.....	do.....	1,800
Armour, J. Ogden.....	Chicago, Ill.....	9,350
Armour, Mrs. Malvina B.....	do.....	3,276
Black, John C.....	do.....	6,007
Burnham, Daniel H., estate of.....	do.....	1,038
Butterworth, William, and Burton F. Peek, trustees under the will of Charles H. Deere, deceased.....	Moline, Ill.....	1,104
Chapin, S. B., & Co.....	Chicago, Ill.....	1,653
Clarke, Henry B.....	do.....	1,390
Cowles, Alfred.....	do.....	1,900
Deering Harvester Co., a copartnership.....	do.....	2,000
Eckhart, B. A.....	do.....	1,449
Fowler, James M.....	Lafayette, Ind.....	1,500
Gary, E. H.....	New York, N. Y.....	4,035
Harris, Mrs. Eleanor S.....	Chicago, Ill.....	3,550
Harris, John F.....	New York, N. Y.....	1,000
Illinois Life Insurance Co.....	Chicago, Ill.....	2,000
Judd, Curtis J.....	Dwight, Ill.....	1,497
King, Chas. G., and Rockwell King, as trustees of the estate of Charles B. King, deceased.....	Chicago, Ill.....	1,000
Lincoln, Robert T.....	Chicago, Ill.....	1,210
McVeagh, Emily Eames.....	Washington, D. C.....	3,637
McVeagh, Franklin.....	do.....	1,001
Mayer, Levy.....	Chicago, Ill.....	1,250
Morgan, J. P.....	New York, N. Y.....	1,000
Morse, Chas. H.....	Chicago, Ill.....	1,900
Morton, Joy.....	do.....	2,400
McElwee, Mrs. Elizabeth S.....	do.....	4,150
McElwee, Robert H.....	do.....	2,483
National Life Insurance Co. of United States of America.....	do.....	1,000
Patten, James A.....	do.....	3,167
Potter, Edwin A.....	do.....	1,006
Potter, Edwin A., trustee.....	do.....	1,000
Reynolds, George M.....	do.....	2,802
Rogan, J. B., estate of.....	Glendale, Ohio.....	1,518
Roloson, R. W.....	Chicago, Ill.....	1,100
Spalding, Elizabeth Clarke.....	do.....	3,723
Timber Loan Co.....	St. Paul, Minn.....	1,395
Walker, Mrs. Jessie S.....	Chicago, Ill.....	3,666
Wilson, M. H.....	do.....	3,517
Woodin, G. G.....	do.....	1,150
Wrenn, Howard A.....	do.....	1,500
Zeller, Fairman & Co.....	do.....	1,017

EXHIBIT 203, JANUARY 22, 1913.

THE NATIONAL BANK OF COMMERCE IN NEW YORK.

Capital	\$25, 000, 000
Surplus	\$10, 000, 000
Total number of shareholders.....	3, 030
Number of shareholders holding 1,000 shares or over.....	32
Morgan, J. P., listed as holding 500 shares.	

List of shareholders holding 1,000 shares or over.

Name.	Address.	Number of shares.
Astor, William Waldorf.....	New York, N. Y.....	1,000
Baker, Geo. F.....	do.....	10,500
Davison, H. P.....	do.....	1,100
Equitable Life Assurance of United States.....	do.....	24,700
Goodhart, P. J., & Co.....	do.....	1,480
Harriman, Mary W.....	do.....	5,650
Hemenway, A., Morris Gray and John C. Gray, trustees of estate.....	Boston, Mass.....	1,075
Hemphill, Alexander J.....	New York, N. Y.....	2,010
Jarvie, James N.....	do.....	1,215
Juilliard, Augustus D.....	do.....	2,000
Kidder, Peabody & Co.....	Boston, Mass.....	1,175
Morgan, J. P., jr.....	New York, N. Y.....	1,100
Morgan, J. P.....	do.....	500
Morgan, J. P., & Co.....	do.....	7,800
Morton, Levi P.....	do.....	1,500
Mutual Life Insurance Co.....	do.....	17,294
Marston, John D.....	do.....	4,900
Nichols, Edward T.....	do.....	1,000
Northern Finance Corporation.....	do.....	1,500
Reynolds, Thos. A.....	do.....	3,175
Ryan, Thos. F.....	do.....	5,100
Saltus, J. Sanford.....	Paris, France.....	4,382
Sanford, A. H.....	New York, N. Y.....	1,700
Schiff, Jacob H.....	do.....	1,000
Smith, Harry O.....	do.....	1,500
Snyder, V. P.....	do.....	1,000
Thomas, Egbert E.....	do.....	1,500
Thornley, Frederick, jr.....	do.....	1,500
Twombley, H. McK.....	do.....	1,250
Warburg, Paul M.....	do.....	3,000
Whitney, Wm. C.....	do.....	1,500
Whittell, George.....	San Francisco, Cal.....	1,000
Winthrop, Robert & Co., agents.....	New York, N. Y.....	4,900

EXHIBIT 204, JANUARY 22, 1913.

THE CHASE NATIONAL BANK OF NEW YORK, N. Y.

Capital	\$5, 000, 000
Surplus	\$5, 000, 000
Total number of shareholders.....	83
Number of shareholders holding 1,000 shares or over.....	9

List of shareholders holding 1,000 shares or over.

Name.	Address.	Number of shares.
Baker, George F.....	New York, N. Y.....	28,682
Cannon, H. W.....	do.....	1,500
Hepburn, A. B.....	do.....	1,065
Hill, J. J.....	do.....	1,500
Northern Finance Corporation.....	do.....	1,500
Thompson, Ferris S.....	do.....	6,250
Tuck, Edward.....	Paris, France.....	1,500
United States Trust Co. of New York, trustee, for Ferris S. Thompson.....	New York, N. Y.....	1,000
Wiggin, Albert H.....	do.....	1,000

EXHIBIT 205, JANUARY 22, 1913.

THE MECHANICS & METALS NATIONAL BANK, OF NEW YORK, N. Y.

Capital.....\$6,000,000
 Surplus.....\$6,000,000
 Total number of shareholders.....1,244
 Number of shareholders holding 1,000 shares or over.....7

List of shareholders holding 1,000 shares or over.

Name.	Address.	Number of shares.
Craig, W. R.....	New York, N. Y.....	1,500
Craig, Jr., Robert E.....	do.....	1,000
Cole, Thomas F.....	Duluth, Minn.....	1,647
Fox, Arnold.....	New York, N. Y.....	3,000
Ryan, John D.....	do.....	1,000
Rockefeller, William.....	do.....	1,000
Sussex Securities Co.....	do.....	1,000

EXHIBIT 206, JANUARY 22, 1913.

THE HANOVER NATIONAL BANK OF THE CITY OF NEW YORK.

Capital.....\$3,000,000
 Surplus.....\$13,000,000
 Total number of shareholders.....398
 Number of shareholders holding 1,000 shares or over.....5

List of shareholders holding 1,000 shares or over.

Name.	Address.	Number of shares.
Barbour, Wm.....	New York, N. Y.....	1,170
Donald, Jas. M.....	do.....	1,025
Rockefeller, Wm.....	do.....	1,540
Stillman, James.....	do.....	4,000
Woodward, William.....	do.....	6,557

EXHIBIT No. 207, JANUARY 22, 1913.

THE FIRST NATIONAL BANK OF CHICAGO, ILL.

Capital.....\$10,000,000
 Surplus.....\$10,000,000
 Total number of shareholders.....717
 Number of shareholders holding 1,000 shares or over.....23

List of shareholders holding 1,000 shares or over.

Name.	Address.	Number of shares.
Allerton, Saml. W.....	Chicago, Ill.....	1,800
Baker, Geo. F.....	New York, N. Y.....	1,000
Bartlett, Adolphus C.....	Chicago, Ill.....	1,600
Bergquist, Grace C.....	do.....	1,832
Boston Safe Deposit & Trust Co., trustee under a trust indenture made by Samuel Nickerson, dated June 13, 1907.	Boston, Mass.....	1,600
Carpenter, Augustus A.....	Chicago, Ill.....	1,181
Cummins, D. M.....	do.....	2,250
Deering Harvester Co., a copartnership.....	do.....	2,000

List of shareholders holding 1,000 shares or over—Continued.

Name.	Address.	Number of shares.
First Trust & Savings Bank, as trustee for Catherine Barker and others under agreement dated Dec. 1, 1910.	Chicago, Ill.	2,000
First Trust & Savings Bank, as trustee for Kate Allerton Johnstone.	.....do.....	1,200
First Trust & Savings Bank, as trustee under the will of Otto Young, deceased.	.....do.....	1,500
Forgan, Jas. B. ....	.....do.....	1,975
Harriman, Mrs. Mary W.	New York, N. Y.	1,000
Hill, James J.	St. Paul, Minn.	1,500
Jeffery, E. T.	New York, N. Y.	1,550
Morris, Edward	Chicago, Ill.	4,327
Morris, Ira N. ....	.....do.....	1,212
Northern Trust Co., as trustee under the will of Sidney A. Kent, deceased.	.....do.....	1,500
Ream, Norman B. ....	.....do.....	1,100
Rothschild, Gusta. ....	.....do.....	1,255
Schwab, Maud Morris. ....	.....do.....	1,443
Spoor, John A. ....	.....do.....	1,250
Steinam, E. S.	New York, N. Y.	1,000

EXHIBIT No. 208, JANUARY 22, 1913.

THE NATIONAL SHAWMUT BANK OF BOSTON, MASS.

Capital	\$10,000,000
Surplus	\$5,000,000
Total number of shareholders	852
Number of shareholders holding 1,000 shares or over	2

List of shareholders holding 1,000 shares or over.

Name.	Address.	Number of shares.
Ayer, Frederick.	Lowell, Mass.	1,092
Kidder, Peabody & Co.	Boston, Mass.	1,879

EXHIBIT No. 209, JANUARY 22, 1913.

THE FIRST NATIONAL BANK OF BOSTON, MASS.

Capital	\$5,000,000
Surplus	5,000,000
Total number of shareholders	560
Number of shareholders holding 1,000 shares or over	13

List of shareholders holding 1,000 shares or over.

Name.	Address.	Number of shares.
Brown, George W.	Newton, Mass.	1,333
Draper, Geo. A.	Hopedale, Mass.	1,250
Henshaw, Francis & Co.	Boston, Mass.	1,241
Hornblower, Henry.	Arlington, Mass.	1,032
Hornblower & Weeks.	Boston, Mass.	1,427
Hunt, Frank W. ....	.....do.....	1,035
Lee, Higginson & Co. ....	.....do.....	3,090
Preston, Andrew W.	Swampscott, Mass.	1,000
Springfield Fire & Marine Insurance Co.	Springfield, Mass.	1,250
Stone & Webster.	Boston, Mass.	2,975
Weeks, John W.	West Newton, Mass.	1,005
Wing, Daniel G. ....	.....do.....	1,150
Winslow, Sidney W.	Orleans, Mass.	2,234

EXHIBIT No. 210, JANUARY 22, 1913.

THE MELLON NATIONAL BANK, PITTSBURGH, PA.

Capital-----	\$6,000,000
Surplus-----	\$1,800,000
Total number of shareholders-----	24
Number of shareholders holding 1,000 shares or over-----	1

List of shareholders holding 1,000 shares or over.

Name.	Address.	Number of shares.
The Union Trust Co. of Pittsburgh.....	Pittsburgh, Pa.....	59,660

EXHIBIT No. 211, JANUARY 22, 1913.

Charter No. 9297.

LIST OF SHAREHOLDERS OF THE MERCANTILE NATIONAL BANK OF ST. LOUIS, MO.

To the CASHIER:

SIR: Please enter on this blank the names and residences of the shareholders of your association and the number of shares held by each as shown by its books on Monday, July 1, 1912, as required by section 5210, U. S. R. S. The list must not be verified until July 1, 1912, and then by oath or affirmation of the cashier or president only, as verification by other officers is not permissible under the law. The official seal of the officer administering the oath must be affixed. If there is not sufficient space for the names of all shareholders, continuation sheets will be sent upon request.

Respectfully,

LAWRENCE O. MURRAY,
Comptroller.

WASHINGTON, June 21, 1912.

Names (to be arranged alphabetically).		Residences (indicate town or city and State).	Number of shares (in figures).
1	Anderson, L. E.....	St. Louis, Mo.....	10
2	Bell, James W.....	do.....	10
3	Brown, Paul.....	do.....	10
4	Butler, James G.....	do.....	10
5	Campbell, James.....	do.....	10
6	Carter, W. F.....	do.....	10
7	Dozier, L. D.....	do.....	10
8	Eiseman, David.....	do.....	10
	Griesedieck, Henry, jr.....	do.....	10
10	Kerens, R. C.....	Vienna, Austria.....	10
11	Kinsella, W. J.....	St. Louis, Mo.....	10
12	Moffitt, William.....	do.....	10
13	Markham, George D.....	do.....	10
14	McKittrick, Walter.....	do.....	10
15	McMillan, C. H.....	do.....	10
16	Mercantile Trust Co.....	do.....	14,780
17	Ruf, Frank A.....	do.....	10
18	Scullin, Harry.....	do.....	10
19	Scullin, John.....	do.....	10
20	Sullivan, John S.....	do.....	10
21	Wade, Festus J.....	do.....	10
22	Walker, J. S.....	do.....	10
23	Wilson, George W.....	do.....	10
Total.....			15,000

(Acknowledgment not to be made before July 1, 1912, and then only by the president or cashier.)

The undersigned deposes and says that the foregoing is a full and correct list of the names and residences of all the shareholders and the number of shares held by each in the aforesaid national bank on Monday, July 1, 1912.

EDWARD BUDER,

Cashier of the Mercantile National Bank of St. Louis.

STATE OF MISSOURI,

City of St. Louis, ss:

Subscribed and sworn to before me this 2d day of July, 1912.

[Official seal of officer.]

THOMAS REILLEY, *Notary Public.*

Charter No. 9297.

List of shareholders on Monday, July 1, 1912, of the Mercantile National Bank of St. Louis, Mo.

Capital of bank, \$1,500,000.

Total number of shares, 15,000.

Par value of each share, \$100.

Total number of shareholders, 23.

This paper must contain the names of the shareholders as shown by the books of the bank on the first Monday of July. (See sec. 5210, R. S.)

The oath must be administered on or after July 1 by an officer having an official seal.

EXHIBIT No. 212, JANUARY 22, 1913.

THE FIRST NATIONAL BANK OF NEW YORK.

Capital.....	\$10,000,000
Surplus.....	\$15,000,000
Total number of shareholders.....	593
Number of shareholders holding 1,000 shares or over.....	13

List of shareholders holding 1,000 shares or over.

Name.	Address.	Number of shares.
Baker, Geo. F.....	New York, N. Y.....	20,000
Baker, Geo. F., Jr.....	do.....	5,050
Davison, H. P.....	do.....	1,000
Dodson, R. B., and Robert Emmet, trustees for Chas. T. Garland under will of James A. Garland.	do.....	1,000
Fahnestock, H. C.....	do.....	10,000
Garland, Chas. T., R. B. Dodson, and Robert Emmet, trustees of the residuary estate of Jas. A. Garland.	do.....	6,900
Garland, Chas. T., R. B. Dodson, and Robert Emmet, trustees for Louise G. Emmet under will of Jas. A. Garland.	do.....	1,000
Hill, James J.....	do.....	3,900
Hine, Francis L.....	do.....	1,600
Morgan, J. P.....	do.....	14,500
Mutual Life Insurance Co. of New York.....	do.....	1,000
Northern Finance Corporation.....	do.....	1,200
Thompson, Mary Clark.....	do.....	9,000

EXHIBIT No. 213, JANUARY 22, 1913.

Syndicate transactions of First National Bank and First Security Co. from Jan. 1, 1903, to Jan. 1, 1913.

Received from—	Aggregate of railroad issues. ¹	Aggregate of our participa- tions in rail- road issues.	Aggregate of industrial issues. ¹	Aggregate of our participa- tions in indus- trial issues.
J. P. Morgan & Co.....	\$935,000,000	\$130,000,000	\$92,000,000	\$21,000,000
National City Bank.....	101,000,000	15,000,000	55,000,000	6,000,000
Speyer & Co.....	236,000,000	18,000,000	0	0
Kuhn, Loeb & Co.....	178,000,000	10,000,000	0	0
Asiel & Co.....	8,875,000	1,300,000	0	0
Guaranty Trust Co.....	20,000,000	2,200,000	0	0
Tailler & Co.....	6,100,000	750,000	0	0
Blair & Co.....	10,500,000	2,000,000	25,000,000	1,500,000
Chase National Bank.....	0	0	8,000,000	1,000,000
Clark, Dodge & Co.....	8,500,000	3,000,000	0	0
Drexel & Co.....	46,000,000	9,000,000	25,000,000	2,750,000
Harvey Fisk & Sons.....	25,000,000	1,700,000	8,000,000	1,000,000
Lazard Freres.....	0	0	1,800,000	800,000
W. S. Fanshawe & Co.....	4,700,000	2,350,000	0	0
Kidder, Peabody & Co.....	11,000,000	500,000	0	0
Moffat & White.....	2,000,000	500,000	0	0
Lee, Higginson & Co.....	0	0	0	0
Wm. A. Read & Co.....	9,000,000	1,500,000	0	0
White, Weld & Co.....	4,000,000	500,000	14,000,000	3,700,000
	1,605,675,000	198,300,000	228,800,000	37,750,000

Received from—	Aggregate of public-service issues. ¹	Aggregate of our participa- tions in public- service issues.	Aggregate of State, municip- al, and Gov- ernment issues. ¹	Aggregate of our participa- tions in State, municipal, and Government issues.
J. P. Morgan & Co.....	\$368,000,000	\$30,000,000	\$88,000,000	\$4,500,000
National City Bank.....	53,000,000	4,600,000	15,000,000	2,600,000
Speyer & Co.....	20,000,000	500,000	0	0
Kuhn, Loeb & Co.....	0	0	3,000,000	860,000
Asiel & Co.....	0	0	0	0
Guaranty Trust Co.....	0	0	0	0
Tailler & Co.....	0	0	0	0
Blair & Co.....	0	0	0	0
Chase National Bank.....	0	0	9,000,000	1,400,000
Clark, Dodge & Co.....	0	0	0	0
Drexel & Co.....	0	0	0	0
Harvey Fisk & Sons.....	30,000,000	850,000	0	0
Lazard Freres.....	0	0	0	0
W. S. Fanshawe & Co.....	0	0	0	0
Kidder, Peabody & Co.....	0	0	0	0
Moffat & White.....	0	0	0	0
Lee, Higginson & Co.....	8,200,000	500,000	0	0
Wm. A. Read & Co.....	0	0	0	0
White, Weld & Co.....	0	0	0	0
	479,200,000	36,450,000	115,000,000	9,360,000

¹ This amount indicates the par value of securities issued in which, in many cases, there were associates other than those from whom we received the participation.

Original purchases by First National Bank.

Date.	Description.	Aggregate of issue.	Publicly associated with us in the issue.
May 1, 1905	American Cotton Oil four-and-a-halves	\$2,000,000	None.
Mar. 8, 1911	American Cotton Oil fives.....	5,000,000	White, Weld & Co.
Feb. 10, 1911	Chicago, Burlington & Quincy general fours.	8,000,000	None.
	Chinchow Ry. 5 per cent loan.....	40,000,000	Joint purchase with J. P. Morgan & Co., National City Bank, and Kuhn, Loeb & Co.
	Chinese currency reform 5 per cent loan.	50,000,000	Do.
Feb. 29, 1912	Chinese Government reorganization loan.	3,025,000	None.
Sept. 23, 1911	Colorado & Southern ref. and ext. four-and-a-halves.	1,000,000	None.
Jan. 18, 1911	Delaware & Hudson refunding fours.	6,000,000	Joint purchase with Kuhn, Loeb & Co.
July 1, 1905	General Rubber four-and-a-halves....	6,000,000	None.
Oct. 10, 1911	.....do.....	2,900,000	None.
May 26, 1911	Great Northern Ry. 1st and ref. four-and-a-fourths.	20,000,000	J. P. Morgan & Co.; National City Bank.
	Hukuang Railways fives.....	30,000,000	Joint purchase with J. P. Morgan & Co., National City Bank, and Kuhn, Loeb & Co.
Apr. 5, 1910	Indianapolis Water Syndicate.....	3,900,000	None.
Nov. 1, 1907	New York City revenue sixes.....	65,500,000	Joint purchase with J. P. Morgan & Co.; National City Bank.
Sept. 26, 1911	Rock Island Improvement Co. four-and-a-halves.	4,175,000	None.
Dec. 14, 1903	Terminal Railroad Association, St. Louis, sixes.	4,500,000	None.
May 16, 1904	United States Rubber Co. fives.....	8,000,000	None.
Mar. 17, 1908	United States Rubber Co. 13-month fives.	8,000,000	J. P. Morgan & Co.; Blair & Co.; Kidder, Peabody & Co.
Nov. 27, 1908	United States Rubber Co. coll. sixes.	15,000,000	Public offering made by Kidder, Peabody & Co. and J. & W. Seligman & Co.
		283,000,000	

Securities which have been publicly offered by us either alone or in conjunction with others and the names of those publicly associated in the issue, Jan. 1, 1903, to Jan. 1, 1913.

Date.	Securities.	Aggregate amount of issue.	
1908	Atchison, Topeka & Santa Fe California-Arizona lines four-and-a-halves.	\$17,000,000	J. P. Morgan & Co. and National City Bank. ¹
1909	Atchison, Topeka & Santa Fe conv. fours.	28,258,000	Do. ¹
1910	.....do.....	43,686,000	Do. ¹
1912	Atchison, Topeka & Santa Fe California-Arizona lines fours-and-a-halves.	18,300,000	Do. ¹
1909	Atlantic Coast Line cons. fours.....	4,500,000	Do. ¹
1911	Atlantic Coast Line unified fours.....	3,000,000	Do. ¹
1908	Chicago, Burlington & Quincy general fours.	16,000,000	J. P. Morgan & Co.; Lee Higginson & Co.; National City Bank.
1909	.....do.....	15,000,000	Do.
1906	Erie R. R. 6 months' loan.....	5,000,000	Do.
1911	Erie R. R. 3-year sixes.....	12,500,000	J. P. Morgan & Co.; National City Bank. ¹
1911	Erie R. R. 3-year fives.....	4,550,000	Do. ¹
1912	.....do.....	10,000,000	Do. ¹
1909	Florida East Coast four-and-a-halves....	10,000,000	Do. ¹
1912	General Electric deb. fives.....	10,000,000	J. P. Morgan & Co.; National City Bank; Lee, Higginson & Co. ¹
1912	International Harvester 3-year fives.....	15,000,000	J. P. Morgan & Co.; National City Bank. ¹
1906	Louisville & Nashville A. K. C. fours....	10,000,000	J. P. Morgan & Co. ¹
1909	Louisville & Nashville coll. fours syndicate.	29,864,000	J. P. Morgan & Co.; National City Bank. ¹
1911	Louisville & Nashville A. K. C. fours....	10,000,000	Do. ¹
1908	New York Central 30-year deb. fours....	13,000,000	Do. ¹
1910	New York Central lines equipment four-and-a-halves, 1910.	7,500,000	Do.
1911	New York Central 3-year four-and-a-halves	5,000,000	Do.
1912	.....do.....	15,000,000	Do.

¹Included among the total syndicate transactions furnished in conjunction with this schedule.

Securities which have been publicly offered by us either alone or in conjunction with others and the names of those publicly associated in the issue, Jan. 1, 1903, to Jan. 1, 1913—Continued.

Date.	Securities.	Aggregate amount of issue.	
1912	New York Central 1-year four-and-a-halves	\$2,000,000	J. P. Morgan & Co.; National City Bank.
1912	Merchants Despatch trans. eq.	1,050,000	Do.
1912	New York Central 1-year four-and-a-halves	2,000,000	Do.
1912	New York Central 1-year fives.	2,000,000	Do.
1912	New York Central 3-year four-and-a-halves	5,000,000	Do. ¹
1911	New York Central lines equipment, 1912.	15,000,000	Do.
1909	Michigan Central deb. fours.	7,634,000	Do. ¹
1910	Michigan Central 1-year fives.	\$50,000,000	Do.
1912	Michigan Central 1-year fours.	4,000,000	Do.
1910	Grand River Valley fours.	1,500,000	Do.
1910	Lake Shore & Michigan Southern 1-year notes.	8,500,000	Do.
1911	do.	\$60,000,000	Do.
1912	do.	25,000,000	Do.
1912	do.	\$1,400,000	Do.
1903	Lake Shore & Michigan Southern deb. fours.	40,000,000	Do. ¹
1908	Chicago, Indiana & Southern fours.	15,150,000	Do.
1910	Lake Shore & Michigan Southern deb. fours, 1931.	15,000,000	Do.
1911	Detroit Terminal & Tunnel four-and-a-halves.	14,000,000	Do. ¹
1910	Jamestown, Franklin & Clearfield first fours.	11,000,000	Do.
1910	Cleveland, Cincinnati, Chicago & St. Louis deb. fours.	\$50,000,000	Do. ¹
1911	Cleveland, Cincinnati, Chicago & St. Louis deb. four-and-a-halves.	5,000,000	Do.
1912	New York, New Haven & Hartford 1-year fours.	30,000,000	J. P. Morgan & Co.; National City Bank; Lee, Higginson & Co. ¹
1911	Central New England first fours.	11,927,000	J. P. Morgan & Co.; National City Bank. ¹
1911	New York, Westchester & Boston four-and-a-halves.	17,200,000	Do. ¹
1912	do.	2,000,000	Do.
1912	Maine Central 1-year fours.	12,000,000	Do.
1912	Boston & Maine 1-year notes.	12,000,000	Do.
1911	Reading Co. general fours.	18,811,000	J. P. Morgan & Co.; National City Bank; Drexel & Co.
1905	Southern Railway 5 per cent loan.	2,000,000	J. P. Morgan & Co. ¹
1905	Southern Railway 5 per cent notes.	2,750,000	Do.
1905	Southern Railway cons. fives.	2,000,000	Do.
1909	Southern Railway general fours.	15,000,000	J. P. Morgan & Co; National City Bank.
1909	Southern Railway cons. fives.	5,000,000	Do. ¹
1908	United States Rubber Co. fives.	8,000,000	J. P. Morgan & Co.; Blair & Co.; Kidder, Peabody & Co. ¹
1912	Indiana Steel first fives.	15,000,000	J. P. Morgan & Co.; National City Bank. ¹
1912	National Tube first fives.	10,000,000	Do. ¹
1912	Illinois Steel deb. four-and-a-halves.	5,500,000	Do. ¹
1909	Argentine Government 5 per cent loan.	\$2,000,000	Do. ¹
1908	State of San Paulo fives.	\$2,000,000	National City Bank; J. P. Morgan & Co. ¹
1911	American Cotton Oil fives.	5,000,000	White, Weld & Co. ¹
1911	Chicago, Burlington & Quincy general fours.	8,000,000	None. ¹
1911	Great Northern first and ref. four-and-a-fourths.	20,000,000	J. P. Morgan & Co.; National City Bank. ¹
1911	Hukuang Railways fives.	30,000,000	Joint purchase with J. P. Morgan & Co.; National City Bank; Kuhn, Loeb & Co. ¹
1910	New York City revenue sixes.	65,500,000	Joint purchase with J. P. Morgan & Co.; National City Bank. ¹

¹ Included among the total syndicate transactions furnished in conjunction with this schedule.

² Francs.

³ Pounds.

EXHIBIT No. 214, JANUARY 22, 1913.

Corporations in which an officer or director of the First National Bank is a voting trustee, together with cotrustees.

Southern Railway Co.:

J. P. Morgan,¹ Chas. Lanier, Geo. F. Baker.

Wm. Cramp Ship & Engine Building Co.:

E. T. Stotesbury,¹ Geo. F. Baer, Geo. F. Baker.

¹ Member of firm of J. P. Morgan & Co.

Guaranty Trust Co.:

Geo. F. Baker, H. P. Davison,¹ Wm. H. Porter,¹

Chicago Great Western Railway Co.:

J. P. Morgan,¹ Geo. F. Baker, Robt. Fleming.

J. I. Case Threshing Machine Co.:

F. K. Bull, Francis L. Hine, William E. Black.

EXHIBIT No. 215, JANUARY 22, 1913.

ANSWER TO NO. 1.

A list of the various interstate corporations the securities of which have been purchased, sold, or underwritten by Lee, Higginson & Co., from 1907 to the present time:

American Agricultural Chemical Co.
 American Smelting & Refining Co.
 American Smelters Securities Co.
 American Telephone & Telegraph Co.
 American Woolen Co.
 Armour & Co.
 Atchison, Topeka & Santa Fe Railway Co.
 Atlantic Coast Line Railroad Co.
 Baldwin Locomotive Works.
 Baltimore & Ohio Railroad Co.
 Boston & Lowell Railroad Corporation.
 Boston & Maine Railroad.
 Boston & New York Railroad Co.
 Calumet & Hecla Mining Co.
 Central New England Railway Co.
 Chesapeake & Ohio Railway Co.
 Chicago, Burlington & Quincy Railroad Co.
 Chicago Great Western Railway Co.
 Chicago, Indiana & Southern Railroad Co.
 Chicago, Milwaukee & Puget Sound Railway Co.
 Chicago, Rock Island & Pacific Railway Co.
 Chicago Telephone Co.
 Chicago & North Western Railway Co.
 Chicago & Western Indiana Railroad Co.
 Concord & Montreal Railroad Co.
 Cudahy Packing Co.
 Cumberland Telephone & Telegraph Co.
 Detroit United Railway Co.
 Duluth, Missabe & Northern Railway Co.
 Eastern Pennsylvania Power Co.
 Eastern Railway Co., of Minnesota.
 Erie Railroad Co.
 Fitchburg Railroad Co.
 General Electric Co.
 General Motors Co.
 Great Northern Railway Co.
 Hilton-Dodge Lumber Co.
 Hudson & Manhattan Railroad Co.
 Illinois Steel Co.
 Indiana Steel Co.
 International Harvester Co.
 Iroquois Iron Co.
 Jones & Laughlin Steel Co.
 Kanawha & Michigan Railway Co.
 Kansas City Terminal Railway Co.
 Kansas City Viaduct & Terminal Railway Co.
 Louisville & Nashville Railroad Co.
 Lowell Machine Shop.

¹Member of the firm of J. P. Morgan & Co.

Mahoning & Shenango Railway & Light Co.
 Maine Central Railroad Co.
 W. H. McElwain Co.
 Metropolitan Street Railway Co. (Kansas City).
 Michigan Central Railway Co.
 Milwaukee, Sparta & North Western Railway Co.
 Minneapolis, St. Paul & Sault Ste. Marie Railway Co.
 Missouri, Kansas & Texas Railway Co.
 Missouri Pacific Railway Co.
 National Tube Co. (The).
 New England Telephone & Telegraph Co.
 New York Central & Hudson River Railroad Co.
 New York, Chicago & St. Louis Railroad Co.
 New York, New Haven & Hartford Railroad Co.
 New York Tanning Extract Co.
 New York Telephone Co.
 New York, Westchester & Boston Railway Co.
 Nipe Bay Co.
 Norcross Bros. Co.
 Norfolk & Western Railway Co.
 Oregon-Washington Railroad & Navigation Co.
 Pacific Telephone & Telegraph Co.
 Pennsylvania Co.
 Pittsburgh, Lake Erie & West Virginia Railroad Co. (See Baltimore & Ohio Railroad Co.)
 Portland & Ogdensburg Railway Co.
 Portland Railway, Light & Power Co.
 Reed-Prentice Co.
 Richmond-Washington Co.
 St. Louis & San Francisco Railway Co.
 Southern Pacific Co.
 Southern Railway Co.
 Terminal Railroad Association of St. Louis.
 Terre Haute, Indianapolis & Eastern Traction Co.
 Texas Co.
 Union Bag & Paper Co.
 Union Steel Co.
 United Fruit Co.
 United States Smelting, Refining & Mining Co.
 Virginian Railway Co. (The)
 Wabash Railroad Co.
 Western Electric Co.
 Western Pacific Railway Co.
 Western Telephone & Telegraph Co.

This inquiry is understood to cover dealings in blocks of bonds or shares as issued by such corporations.

The answer does not include purchases or sales by the firm of Lee, Higginson & Co. in the course of its business, of bonds and shares after they have been issued and come upon the market.

Directorships held by members of the firm of Lee, Higginson & Co. in corporations named in the answer to Question No. 1.

Mr. Henry L. Higginson:
 American Telephone & Telegraph Co.
 General Electric Co.

Mr. Gardiner M. Lane:
 American Agricultural Chemical Co.
 Louisville & Nashville Railroad Co.
 United States Steel Corporation.

Mr. James J. Storrow:
 General Motors Co. (Also voting trustee.)
 Nipe Bay Co.
 United Fruit Co.

U. S. Smelting, Refining & Mining Co.

The firm of Lee, Higginson & Co. has no other relations to such corporations except as stated in answer to Question No. 3.

GENERAL MOTORS CO.

[Owners of stock in General Motors Co. and James N. Wallace, Frederick Strauss, James J. Storrow, William C. Durant, and Anthony N. Brady, voting trustees.]

Agreement.

[Dated Oct. 1, 1910.]

This agreement, made in the city of New York, the 1st day of October, 1910, by and between such owners of stock, preferred or common, in General Motors Co. as may become parties to this agreement in the manner hereinafter provided (hereinafter termed stockholders), parties of the first part, and James N. Wallace, Frederick Strauss, James J. Storrow, William C. Durant, and Anthony N. Brady (hereinafter called the voting trustees), parties of the second part, witnesseth as follows:

Whereas the General Motors Co. has been organized under the laws of the State of New Jersey with an authorized capital stock of \$60,000,000 divided into 600,000 shares of \$100 each, of which stock to the amount of \$20,000,000 is preferred stock and stock to the amount of \$40,000,000 is common stock, and of said preferred stock, stock to the amount of \$17,835,400 has been issued, and of said common stock, stock to the amount of \$20,374,030 has been issued; and

Whereas said General Motors Co. has authorized the issue of its 6 per cent first lien five year sinking fund gold notes to be dated October 1, 1910, to be payable October 1, 1915, to bear interest at the rate of 6 per cent per annum, payable semiannually on the first days of April and October in each year and to be secured by a deed of trust to Central Trust Co. of New York, as trustee; and

Whereas, as additional protection to said notes and to induce the purchase thereof, the stockholders desire, and have agreed, further to secure the payment of said notes by the transfer and delivery to the voting trustees under the terms of this agreement, of the shares held by them of the capital stock of the General Motors Co., the certificates for said shares to be held and disposed of by the voting trustees under and pursuant to the terms and conditions hereof; Now, therefore, in consideration of the premises:

First. Any owner of fully paid stock of the General Motors Co., preferred or common, may at any time become a party to this agreement by transferring to the voting trustees the stock held by him and delivering to the voting trustees the certificates, expressed to be fully paid, for said stock, duly indorsed in blank or accompanied by proper instruments of assignment and transfer thereof, in blank duly executed, and in either case, properly stamped for transfer and accepting in respect thereof a certificate or certificates issued under this agreement. Such transfer and delivery of stock and acceptance of a certificate issued under this agreement shall have the same force and effect as though such stockholder had in fact subscribed this agreement under seal.

Second. The voting trustees do agree with the stockholders, and with each and every holder of certificates issued as hereinafter provided, that, from time to time, upon request, they will cause to be issued to the stockholders, or upon their order, in respect of all stock so transferred to the voting trustees and so by them received from the stockholders, certificates in substantially the following form:

[Preferred stock trust certificate.]

This is to certify that, as hereinafter provided, ——— will be entitled to receive a certificate or certificates, expressed to be fully paid, for ——— shares of \$100 each in the preferred capital stock of the General Motors Co., and in the meantime to receive payments equal to the cash dividends, if any, collected by the undersigned voting trustees upon a like number of such shares standing in their names. Until after the actual delivery of such certificates, the voting trustees shall possess, in respect of any and all such stock, and shall be entitled to exercise all rights of every name and nature, including the right to vote for every purpose and to consent to any corporate act of said General Motors Co.; it being expressly stipulated that no voting right passes by or under this certificate, or by or under any agreement, expressed or implied.

This certificate is issued pursuant to, and is subject to the terms and conditions of, a certain agreement dated the 1st day of October, 1910, by and between owners of stock, preferred or common, in the General Motors Co., and James N.

Wallace, Frederick Strauss, James J. Storrow, William C. Durant, and Anthony N. Brady, voting trustees.

No stock certificates shall be due or deliverable hereunder before the 1st day of October, 1915, nor until the expiration of such further period, if any, as shall elapse before the General Motors Co. shall have paid all its 6 per cent first lien five-year sinking fund gold notes at any time issued under its deed of trust dated as of October 1, 1910, made to Central Trust Co. of New York, trustee. The voting trustees may, however, make earlier delivery at any time in their absolute discretion.

This certificate is transferable only on the books of the voting trustees by the registered holder, either in person or by attorney duly authorized, on surrender hereof; and until so transferred, the voting trustees may treat the registered holder as owner hereof for all purposes whatsoever, except that delivery of stock certificates hereunder shall not be made without the surrender hereof.

This certificate is not valid unless duly signed on behalf of the undersigned voting trustees by Central Trust Co. of New York, their agent, and also registered by the Columbia Trust Co., as registrar.

In witness whereof, said voting trustees have caused this certificate to be signed by Central Trust Co. of New York, their duly authorized agent for that purpose, this ——— day of ———, 19—.

JAMES N. WALLACE,
FREDERICK STRAUSS,
JAMES J. STORROW,
WILLIAM C. DURANT,
ANTHONY N. BRADY,

Voting Trustees.

By ———,

CENTRAL TRUST CO. OF NEW YORK,

Vice President.

Registered this ——— day of ———, 19—.

THE COLUMBIA TRUST CO.,

Registrar,

By ———,

Vice President.

[Common Stock Trust Certificate.]

This is to certify that, as hereinafter provided, ——— will be entitled to receive a certificate or certificates, expressed to be fully paid, for ——— shares of \$100 each, in the common capital stock of the General Motors Co., and in the meantime to receive payments equal to the cash dividends, if any, collected by the undersigned voting trustees upon a like number of such shares standing in their names. Until after the actual delivery of such certificates, the voting trustees shall possess, in respect of any and all such stock, and shall be entitled to exercise, all rights of every name and nature, including the right to vote for every purpose and to consent to any corporate act of said General Motors Co.; it being expressly stipulated that no voting right passes by or under this certificate, or by or under any agreement, expressed or implied.

This certificate is issued pursuant to, and is subject to the terms and conditions of, a certain agreement dated the 1st day of October, 1910, by and between owners of stock, preferred or common, in the General Motors Co., and James N. Wallace, Frederick Strauss, James J. Storrow, William C. Durant, and Anthony N. Brady, voting trustees.

No stock certificates shall be due or deliverable hereunder before the 1st day of October, 1915, nor until the expiration of such further period, if any, as shall elapse before the General Motors Co. shall have paid all its 6 per cent first lien five-year sinking fund gold notes at any time issued under its deed of trust dated as of October 1, 1910, made to Central Trust Co. of New York, trustee. The voting trustees may, however, make earlier delivery at any time in their absolute discretion.

This certificate is transferable only on the books of the voting trustees by the registered holder, either in person or by attorney duly authorized, on surrender hereof; and until so transferred, the voting trustees may treat the registered holder as owner hereof for all purposes whatsoever, except that delivery of stock certificates hereunder shall not be made without the surrender hereof.

This certificate is not valid unless duly signed on behalf of the undersigned voting trustees by Central Trust Co. of New York, their agent, and also registered by the Columbia Trust Co. as registrar.

In witness whereof, said voting trustees have caused this certificate to be signed by Central Trust Co. of New York, their duly authorized agent for that purpose, this ——— day of ———, 19—.

JAMES N. WALLACE,
FREDERICK STRAUSS,
JAMES J. STORROW,
WILLIAM C. DURANT,
ANTHONY N. BRADY,

Voting Trustees.

By ———.

CENTRAL TRUST CO. OF NEW YORK.

Vice President.

Registered this ——— day of ———, 19—.

THE COLUMBIA TRUST CO.,

Registrar.

By ———.

Vice President.

Third. On the 1st day of October, 1915, if the General Motors Co. shall then have paid all its 6 per cent first lien five-year sinking fund gold notes at any time issued under its deed of trust dated October 1, 1910, made to Central Trust Co. of New York, or, if not, then as soon as all said notes shall have been so paid, or whenever, earlier, the voting trustees shall decide to make such delivery, the voting trustees in exchange for, and upon surrender of, any stock trust certificate then outstanding, will, in accordance with the terms thereof, and on payment, if the voting trustees shall so require, of a sum sufficient to reimburse them for any stamp tax or other governmental charge in connection with such delivery, deliver, at their office or agency in the borough of Manhattan in the city of New York, certificates of stock of the General Motors Co., and may require the holders of stock trust certificates to exchange them for certificates of capital stock. Whenever, pursuant to the foregoing provisions of this article, certificates for capital stock of the General Motors Co. shall become deliverable, or at any time thereafter, the voting trustees may deposit with Central Trust Co. of New York, or other trust company in good standing having an office in the borough of Manhattan in the city of New York, stock certificates, duly indorsed in blank or accompanied by proper instruments of assignment and transfer in blank, duly executed, to a par amount, of each class of said stock, equal to the amount of stock called for by the outstanding stock trust certificates for such class of stock, with authority to such depository to make delivery thereof in exchange for stock trust certificates, and thereupon all further obligation or duty of the voting trustees under this agreement shall terminate.

Fourth. If, prior to the delivery pursuant to article third, of certificates of stock of the General Motors Co. in exchange for stock trust certificates, or the deposit pursuant to article third of stock certificates for the purpose of such delivery, any dividend on the stock of the General Motors Co. of either class, shall be declared and paid or distributed in fully paid stock of said General Motors Co., the respective holders of stock trust certificates calling for stock of the class on which such stock dividend shall be so declared and paid or distributed, shall be entitled to the delivery of proper stock trust certificates issued under this agreement for stock to the amount received by the voting trustees, as such dividend, upon a like number of such shares standing in the names of the voting trustees. The voting trustees shall not, in any event, be required, in respect of any such dividend in stock, to deliver stock trust certificates calling for a fraction of a share, but may, in lieu thereof, deliver, in respect of fractional interests, scrip in such form as the voting trustees may, in their uncontrolled discretion, determine.

Fifth. Any voting trustee may at any time resign by delivering to the other voting trustees at the office of the agent of voting trustees for the transfer of stock trust certificates in writing his resignation, to take effect 10 days thereafter, and in every case of death, resignation, or the inability of any voting trustee to act, the vacancy so occurring shall be filled by the appointment of a successor or successors, to be made by a majority of the other voting trustees by a written instrument. The term voting trustees as used herein and in said stock trust certificates shall apply to the parties of the second part and their successors hereunder. Notwithstanding any change in the voting trustees, the voting trustees for the time being may adopt and issue stock trust certificates

in the names of the original voting trustees, the parties hereto of the second part.

Sixth. The action of a majority of the voting trustees expressed from time to time at a meeting shall, except as otherwise herein stated, constitute the action of the voting trustees and have the same effect as if assented to by all. At any meeting of the voting trustees any voting trustee may vote in person or by proxy to any other voting trustee. The voting trustees may adopt their own rules of procedure. Any voting trustee may act as a director or officer of the General Motors Co., or of any subsidiary or controlled company; and he, or any firm of which he may be a member, or any corporation of which he may be a stockholder, director, or officer, may contract with said General Motors Co. or any subsidiary or controlled company, or be or become pecuniarily interested in any matter or transaction to which said General Motors Co. or any subsidiary or controlled company may be a party, or in which it may in any way be concerned, as fully as though he were not a voting trustee.

Seventh. In voting the stock held by them (which they may do either in person or by proxy to any one or more of them or to any other person or persons), the voting trustees will exercise their best judgment from time to time to select suitable directors, to the end that the affairs of the General Motors Co. shall be properly managed, and, in voting and in acting on other matters which may come before them at any stockholders' meeting, will exercise like judgment; but they assume no responsibility in respect to such management or in respect of any action taken by them or in pursuance of their consent thereto as such stockholders, or pursuant to their votes so cast, and no voting trustee incurs any responsibility by reason of any error of law or of any matter or thing done or omitted under this agreement, except for his own individual malfeasance.

Eighth. The voting trustees possess, and shall be entitled, in their discretion to exercise, all rights and powers of absolute owners of said stock including the right to vote for every purpose and to consent to any corporate act of said General Motors Co. The voting trustees will not, however, during the pendency of this agreement, vote in respect of the shares of the capital stock of said General Motors Co. held by them, to authorize any increase in the amount of the preferred stock of said General Motors Co. at present authorized, viz: \$20,000,000, except with the consent, given at a meeting called by the voting trustees for the purpose, of holders of a majority of such part of the trust certificates for each class of stock of said company as shall be represented at such meeting, the holders of each class of trust certificates voting separately and either in person or by proxy; and the voting trustees will not, during the pendency of this agreement, vote in respect of the shares of the stock of said General Motors Co. held by them, to authorize any increase in the amount of the common stock of said General Motors Co. at present authorized, viz: \$40,000,000, except with the consent, given at a meeting called by the voting trustees for the purpose, of the holders of a majority of such part of the trust certificates for the common stock of said company as shall be represented at such meeting; the holders of such trust certificates voting either in person or by proxy.

Ninth. All notices to be given to the holders of trust certificates hereunder shall be inserted in two daily papers of general circulation published in the City of New York, and in a daily paper of general circulation published in the City of Boston, Mass., twice in each week for four successive weeks. Any call or notice whatsoever, when so published by the voting trustees, shall be taken and considered as though personally served on all parties hereto, including the holders of said trust certificates, and upon all parties becoming bound hereby as of the respective dates of insertion thereof, and such publication shall be the only notice required to be given under any provision of this agreement.

Tenth. This agreement may be simultaneously executed in several counterparts, each of which, so executed, shall be deemed to be an original; and such counterparts shall together constitute but one and the same instrument.

In witness whereof, the voting trustees, the parties of the second part, have hereunto set their hands and seals in the City of New York the day and year first hereinabove mentioned, and the parties of the first part have transferred and delivered their stock and accepted certificates issued under this agreement.

JAMES N. WALLACE,
FREDERICK STRAUSS,
JAMES J. STORROW,
W. C. DURANT,
ANTHONY N. BRADY,
Voting Trustees.

ANSWERS TO NO. 3.

The firm of Lee, Higginson & Co. has not acted as banker, fiscal agent, or depositary of the funds of the corporations referred to in Question No. 3 except as follows:

1. The coupons of the following issues of bonds are paid at the office of Lee, Higginson & Co. (the funds for such payments are received approximately at the time when the coupons are due and are paid out as the coupons are presented):

American Agricultural Chemical Co. First mortgage 5 per cent convertible gold bonds, dated October 1, 1908, and due October 1, 1928.

Cudahy Packing Co. First mortgage 5 per cent gold bonds, dated May 1, 1909, and due May 1, 1924.

Iroquois Iron Co. First mortgage 5 per cent gold bonds, dated December 1, 1909, and due 1912 to 1929, inclusive.

Kansas City Terminal Railway Co. First mortgage 4 per cent gold bonds, dated January 3, 1910, and due January 1, 1960.

Portland Railway, Light & Power Co. (Oregon). First and refunding mortgage 5 per cent sinking fund bonds, dated February 1, 1912, and due February 1, 1942.

Wabash Railroad Co. Equipment 4½ per cent bonds, Series C, dated July 1, 1906, and due January, 1907, to July, 1916, inclusive.

Lee, Higginson & Co., formerly paid the coupons of—

Eastern Railway Co. of Minnesota. Twenty-year 5 per cent coupon bonds, dated April 2, 1888, and due April 1, 1908.

1a. The principal of the following issue of bonds is paid at the office of Lee, Higginson & Co. (the funds for such payments are received approximately at the time when the bonds are due and are paid out as the bonds are presented):

Wabash Railroad Co. Equipment 4½ per cent bonds, series C, dated July 1, 1906, and due January 1, 1907, to July 1, 1916, inclusive.

2. In a few cases where bonds have been purchased by the firm of Lee, Higginson & Co., the proceeds have been passed to the credit of the corporation issuing the bonds, subject to its call. Issues when this was done are as follows:

Iroquois Iron Co.

Kansas City Terminal Railway Co. (See p. 6.)

New York Tanning Extract Co.

Portland Railway, Light & Power Co.

A statement of amounts on deposit, at the credit of each of these corporations, at specified dates, follows:

IROQUOIS IRON CO.

Credit.		Credit.	
Jan. 31, 1910.....	\$1,070,099.64	Oct. 31, 1910.....	\$807,909.15
Feb. 28, 1910.....	1,070,099.64	Nov. 30, 1910.....	666,580.04
Mar. 31, 1910.....	1,078,263.76	Dec. 31, 1910.....	577,151.18
Apr. 30, 1910.....	1,077,322.82	Mar. 31, 1911.....	241,161.77
May 31, 1910.....	1,077,322.82	June 30, 1911.....	Even.
June 30, 1910.....	1,077,411.00	Sept. 30, 1911.....	213,900.82
July 31, 1910.....	1,072,754.71	Dec. 30, 1911.....	167,445.29
Aug. 31, 1910.....	987,319.93	Mar. 30, 1912.....	119,380.20
Sept. 30, 1910.....	908,295.25	June 29, 1912.....	43,221.32

Account closed in September, 1912.

Interest on the account was allowed at the rate of 3 per cent per annum

NEW YORK TANNING EXTRACT CO.

Credit.		Credit.	
June 30, 1911.....	\$900,000.00	Sept. 30, 1911.....	\$750,337.13
July 31, 1911.....	746,317.38	Oct. 31, 1911.....	751,587.69
Aug. 31, 1911.....	746,317.73	Nov. 30, 1911.....	752,798.58

Account closed in December, 1911.

Interest on the account was allowed at the rate of 2 per cent per annum.

PORTLAND RAILWAY, LIGHT & POWER CO.

(Portland, Oreg.).

	Credit.
Feb. 29, 1912-----	\$2, 221, 875. 00
Mar. 30, 1912-----	8, 564. 47

Account closed in April, 1912.

Interest on the account was allowed at the rate of 2 per cent per annum pending delivery of bonds.

KANSAS CITY TERMINAL RAILWAY CO.

3. In the case of the issues of Kansas City Terminal Railway 4 per cent bonds, due in 1960, the proceeds of the bonds passed to the credit of the Kansas City Terminal Railway Co., were deposited in approximately equal shares with the firm of Lee, Higginson & Co., with the firm of J. P. Morgan & Co., and with the Illinois Trust & Savings Bank, of Chicago, subject to call by the Kansas City Terminal Railway Co. and with an allowance of 3 per cent interest.

A statement of the total amounts so left on deposit is as follows:

(Approximately one-third of the following amounts were on deposit with Lee, Higginson & Co.)

	Credit.		Credit.
Mar. 31, 1910-----	\$5, 428, 460. 67	Apr. 30, 1911-----	\$5, 474, 869. 65
Apr. 30, 1910-----	3, 155, 264. 83	May 31, 1911-----	5, 124, 869. 65
May 31, 1910-----	2, 555, 264. 83	June 30, 1911-----	4, 662, 980. 31
June 30, 1910-----	1, 254, 518. 39	July 31, 1911-----	4, 287, 980. 31
July 31, 1910-----	1, 254, 518. 39	Aug. 31, 1911-----	4, 087, 980. 31
Aug. 31, 1910-----	1, 254, 518. 39	Sept. 30, 1911-----	3, 419, 536. 06
Sept. 30, 1910-----	1, 063, 815. 13	Oct. 31, 1911-----	3, 319, 536. 06
Oct. 31, 1910-----	663, 815. 13	Nov. 29, 1911-----	3, 219, 536. 06
Nov. 30, 1910-----	7, 474, 301. 24	Dec. 30, 1911-----	2, 567, 304. 46
Dec. 31, 1910-----	6, 578, 141. 41	Jan. 31, 1912-----	2, 067, 304. 46
Jan. 31, 1911-----	6, 078, 141. 41	Mar. 30, 1912-----	1, 381, 681. 48
Feb. 28, 1911-----	5, 828, 141. 41	June 29, 1912-----	4, 272. 42
Mar. 31, 1911-----	5, 874, 869. 65	Sept. 30, 1912-----	4, 304. 82

Interest on the account was allowed at the rate of 3 per cent per annum.

4. Except in one instance (see p. 6), these funds have been deposited indiscriminately in the various banks and trust companies in which deposits are kept by Lee, Higginson & Co. It is impossible further to specify. These banks and trust companies are as follows:

Bank of Montreal (agency), New York.
 Blue Hill National Bank, Milton, Mass.
 Brookline National Bank, Brookline, Mass.
 Brookline Trust Co., Brookline, Mass.
 City Trust Co., Boston.
 Columbia-Knickerbocker Trust Co., New York.
 Commonwealth Trust Co., Boston.
 Continental & Commercial National Bank, Chicago.
 Federal Trust Co., Boston.
 Fidelity Trust Co., Portland, Me.
 First National Bank, Boston.
 First National Bank, Chicago.
 Guaranty Trust Co., New York.
 Illinois Trust & Savings Bank, Chicago.
 Knickerbocker Trust Co., Chicago.
 Merchants National Bank, Boston.
 Merchants National Bank, Worcester, Mass.
 National Bank of Commerce, Boston.
 National City Bank, New York.
 National Shawmut Bank, Boston.
 Naumkeag Trust Co., Salem, Mass.
 New York State National Bank, Albany, N. Y.
 Norfolk Trust Co., Brookline, Mass.
 Old Colony Trust Co., Boston.

Paul Revere Trust Co., Boston.
 Safety Fund National Bank, Fitchburg, Mass.
 Standard Trust Co., New York.
 Windsor Trust Co., New York.
 United States Trust Co., Portland, Me.

A list of the holdings of the firm of Lee, Higginson & Co. and of the individual members thereof in banks and trust companies as of January 1, 1912, and November 1, 1912, showing interests acquired or disposed of between January 1, 1906, and January 1, 1912; in answer to Questions Nos. 4 and 5:

LEE, HIGGINSON & CO.

Central Trust Co., New York, N. Y.:

Number of shares acquired between Jan. 1, 1906, and Jan. 1, 1912	25
Number of shares sold between Jan. 1, 1906, and Jan. 1, 1912	25
Number of shares owned Jan. 1, 1912	0
Number of shares acquired between Jan. 1, 1912, and Nov. 1, 1912	0
Number of shares sold between Jan. 1, 1912, and Nov. 1, 1912	0
Balance	0
Number of shares owned Nov. 1, 1912	0

City Trust Co., Boston:

Number of shares owned Jan. 1, 1906	90
Number of shares acquired between Jan. 1, 1906, and Jan. 1, 1912	529
Total	619
Number of shares sold between Jan. 1, 1906, and Jan. 1, 1912	619
Number of shares owned Jan. 1, 1912	0
Number of shares acquired between Jan. 1, 1912, and Nov. 1, 1912	0
Number of shares sold between Jan. 1, 1912, and Nov. 1, 1912	0
Balance	0
Number of shares owned Nov. 1, 1912	0

Commonwealth Trust Co., Boston, Mass.:

Number of shares acquired between Jan. 1, 1906, and Jan. 1, 1912	710
Number of shares sold between Jan. 1, 1906, and Jan. 1, 1912	215
Number of shares owned Jan. 1, 1912	495
Number of shares acquired between Jan. 1, 1912, and Nov. 1, 1912	0
Number of shares sold between Jan. 1, 1912, and Nov. 1, 1912	0
Balance	0
Number of shares owned Nov. 1, 1912	495

Continental National Bank, Chicago, Ill.:

Number of shares acquired between Jan. 1, 1906, and Jan. 1, 1912	500
Number of shares sold between Jan. 1, 1906, and Jan. 1, 1912	500
Number of shares owned Jan. 1, 1912	0
Number of shares acquired between Jan. 1, 1912, and Nov. 1, 1912	0
Number of shares sold between Jan. 1, 1912, and Nov. 1, 1912	0
Balance	0
Number of shares owned Nov. 1, 1912	0

Continental & Commercial National Bank, Chicago, Ill.:

Number of shares acquired between Jan. 1, 1906, and Jan. 1, 1912	600
Number of shares sold between Jan. 1, 1906, and Jan. 1, 1912	600
Number of shares owned Jan. 1, 1912	0
Number of shares acquired between Jan. 1, 1912, and Nov. 1, 1912	0
Number of shares sold between Jan. 1, 1912, and Nov. 1, 1912	0
Balance	0

Number of shares owned Nov. 1, 1912 0

Fidelity Trust Co., Portland, Me.:

Number of shares acquired between Jan. 1, 1906, and Jan. 1, 1912	25
Number of shares sold between Jan. 1, 1906, and Jan. 1, 1912	0
Balance, number of shares owned Jan. 1, 1912	25
Number of shares acquired between Jan. 1, 1912, and Nov. 1, 1912	0
Number of shares sold between Jan. 1, 1912, and Nov. 1, 1912	0
Balance	0

Number of shares owned Nov. 1, 1912 25

First National Bank, Boston, Mass.:

Number of shares owned Jan. 1, 1906	850
Number of shares acquired between Jan. 1, 1906, and Jan. 1, 1912	1,021
Total	1,871
Number of shares sold between Jan. 1, 1906, and Jan. 1, 1912	121
Number of shares owned Jan. 1, 1912	1,750
Number of shares acquired between Jan. 1, 1912, and Nov. 1, 1912	760
Number of shares sold between Jan. 1, 1912, and Nov. 1, 1912	610

Balance, acquired 150

Number of shares owned Nov. 1, 1912 1,900

Hampden Trust Co., Springfield, Mass.:

Number of shares owned Jan. 1, 1906	100
Number of shares acquired between Jan. 1, 1906, and Jan. 1, 1912	0
Total	100
Number of shares sold between Jan. 1, 1906, and Jan. 1, 1912	100
Number of shares owned Jan. 1, 1912	0
Number of shares acquired between Jan. 1, 1912, and Nov. 1, 1912	0
Number of shares sold between Jan. 1, 1912, and Nov. 1, 1912	0

Balance 0

Number of shares owned Nov. 1, 1912 0

Illinois Trust & Savings Bank, Chicago:

Number of shares acquired between Jan. 1, 1906, and Jan. 1, 1912	150
Number of shares sold between Jan. 1, 1906, and Jan. 1, 1912	0
Number of shares owned Jan. 1, 1912	150
Number of shares acquired between Jan. 1, 1912, and Nov. 1, 1912	0
Number of shares sold between Jan. 1, 1912, and Nov. 1, 1912	0

Balance 0

Number of shares owned Nov. 1, 1912 150

Merchants' National Bank, Worcester, Mass.:

Number of shares acquired between Jan. 1, 1906, and Jan. 1, 1912	441
Number of shares sold between Jan. 1, 1906, and Jan. 1, 1912	241
Number of shares owned Jan. 1, 1912	200
Number of shares acquired between Jan. 1, 1912, and Nov. 1, 1912	0
Number of shares sold between Jan. 1, 1912, and Nov. 1, 1912	10
Balance, sold	10
Number of shares owned Nov. 1, 1912	190

National Bank of Commerce, Boston, Mass.:

Number of shares acquired between Jan. 1, 1906, and Jan. 1, 1912	23
Number of shares sold between Jan. 1, 1906, and Jan. 1, 1912	23
Number of shares owned Jan. 1, 1912	0
Number of shares acquired between Jan. 1, 1912, and Nov. 1, 1912	0
Number of shares sold between Jan. 1, 1912, and Nov. 1, 1912	0
Balance	0
Number of shares owned Nov. 1, 1912	0

Naumkeag Trust Co., Salem, Mass.:

Number of shares acquired between Jan. 1, 1906, and Jan. 1, 1912	25
Number of shares sold between Jan. 1, 1906, and Jan. 1, 1912	0
Number of shares owned Jan. 1, 1912	25
Number of shares acquired between Jan. 1, 1912, and Nov. 1, 1912	0
Number of shares sold between Jan. 1, 1912, and Nov. 1, 1912	0
Balance	0
Number of shares owned Nov 1, 1912	25

North Adams Trust Co., North Adams, Mass.:

Number of shares owned Jan. 1, 1906	100
Number of shares acquired between Jan. 1, 1906, and Jan. 1, 1912	0
Total	100
Number of shares sold between Jan. 1, 1906, and Jan. 1, 1912	0
Number of shares owned Jan. 1, 1912	100
Number of shares acquired between Jan. 1, 1912, and Nov 1, 1912	0
Number of shares sold between Jan. 1, 1912, and Nov. 1, 1912	0
Balance	0
Number of shares owned Nov. 1, 1912	100

Old Colony Trust Co., Boston, Mass.:

Number of shares acquired between Jan. 1, 1906, and Jan. 1, 1912	1,275
Number of shares sold between Jan. 1, 1906, and Jan. 1, 1912	39
Number of shares owned Jan. 1, 1912	1,236
Number of shares acquired between Jan. 1, 1912, and Nov. 1, 1912	200
Number of shares sold between Jan. 1, 1912, and Nov. 1, 1912	236
Balance, sold	36
Number of shares owned Nov. 1, 1912	1,200

Phoenix National Bank, New York, N. Y.:

Number of shares owned Jan. 1, 1906-----	400
Number of shares acquired between Jan. 1 1906, and Jan. 1, 1912-----	0
Total -----	400
Number of shares sold between Jan. 1. 1906, and Jan. 1, 1912-----	400
Number of shares owned Jan. 1, 1912-----	0
Number of shares acquired between Jan. 1, 1912, and Nov. 1, 1912-----	0
Number of shares sold between Jan. 1, 1912, and Nov. 1, 1912-----	0
Balance -----	0
Number of shares owned Nov. 1. 1912-----	0

Windsor Trust Co., New York, N. Y.:

Number of shares acquired between Jan. 1, 1906, and Jan. 1, 1912----	70
Number of shares sold between Jan. 1, 1906, and Jan. 1, 1912-----	70
Number of shares owned Jan. 1, 1912-----	0
Number of shares acquired between Jan. 1, 1912, and Nov. 1, 1912-----	0
Number of shares sold between Jan. 1, 1912, and Nov. 1, 1912-----	0
Balance-----	0
Number of shares owned Nov. 1, 1912-----	0

Central Trust Co., New York, N. Y.:

Number of shares acquired between Jan. 1. 1906, and Jan. 1, 1912----	25
Number of shares sold between Jan. 1, 1906, and Jan. 1, 1912-----	0
Number of shares owned Jan. 1, 1912-----	25
Number of shares acquired between Jan. 1, 1912, and Nov. 1, 1912-----	0
Number of shares sold between Jan. 1, 1912, and Nov. 1, 1912-----	0
Balance-----	0
Number of shares owned Nov. 1, 1912-----	25

Commonwealth Trust Co., Boston, Mass.:

Number of shares owned Jan. 1, 1906-----	50
Number of shares acquired between Jan. 1, 1906, and Jan. 1, 1912----	0
Total -----	50
Number of shares sold between Jan. 1, 1906, and Jan. 1, 1912-----	0
Number of shares owned Jan. 1, 1912-----	50
Number of shares acquired between Jan. 1, 1912, and Nov. 1, 1912-----	0
Number of shares sold between Jan. 1, 1912, and Nov. 1, 1912-----	0
Balance-----	0
Number of shares owned Nov. 1, 1912-----	50

Illinois Trust & Savings Bank, Chicago:

Number of shares acquired between Jan. 1, 1906, and Jan. 1, 1912----	100
Number of shares sold between Jan. 1, 1906, and Jan. 1, 1912-----	0
Number of shares owned Jan. 1, 1912-----	100
Number of shares acquired between Jan. 1, 1912, and Nov. 1, 1912-----	0
Number of shares sold between Jan. 1, 1912, and Nov. 1, 1912-----	0
Balance -----	0
Number of shares owned Nov. 1, 1912-----	100

Merchants National Bank, Boston, Mass.:

Number of shares acquired between Jan. 1, 1906, and Jan. 1, 1912--	568
Number of shares sold between Jan. 1, 1906, and Jan. 1, 1912-----	568
Number of shares owned Jan. 1, 1912-----	0
Number of shares acquired between Jan. 1, 1912, and Nov. 1, 1912-----	0
Number of shares sold between Jan. 1, 1912, and Nov. 1, 1912-----	0
Balance-----	0
Number of shares owned Nov. 1, 1912-----	0

National Shawmut Bank, Boston, Mass.:

Number of shares owned Jan. 1, 1906-----	310
Number of shares acquired between Jan. 1, 1906, and Jan. 1, 1912--	546
Total-----	856
Number of shares sold between Jan. 1, 1906, and Jan. 1, 1912-----	471
Number of shares owned Jan. 1, 1912-----	385
Number of shares acquired between Jan. 1, 1912, and Nov. 1, 1912-----	915
Number of shares sold between Jan. 1, 1912, and Nov. 1, 1912-----	300
Balance, acquired-----	615
Number of shares owned Nov. 1, 1912-----	1,000

New England Trust Co., Boston, Mass.:

Number of shares owned Jan. 1, 1906-----	50
Number of shares acquired between Jan. 1, 1906, and Jan. 1, 1912--	0
Total-----	50
Number of shares sold between Jan. 1, 1906, and Jan. 1, 1912-----	0
Number of shares owned Jan. 1, 1912-----	50
Number of shares acquired between Jan. 1, 1912, and Nov. 1, 1912-----	0
Number of shares sold between Jan. 1, 1912, and Nov. 1, 1912-----	0
Balance-----	0
Number of shares owned Nov. 1, 1912-----	50

Old Colony Trust Co., Boston, Mass.:

Number of shares owned Jan. 1, 1906-----	125
Number of shares acquired between Jan. 1, 1906, and Jan. 1, 1912--	725
Total-----	850
Number of shares sold between Jan. 1, 1906, and Jan. 1, 1912-----	0
Number of shares owned Jan. 1, 1912-----	850
Number of shares acquired between Jan. 1, 1912, and Nov. 1, 1912-----	170
Number of shares sold between Jan. 1, 1912, and Nov. 1, 1912-----	0
Balance acquired-----	170
Number of shares owned Nov. 1, 1912-----	1,020

Paul Revere Trust Co., Boston, Mass.:

Number of shares acquired between Jan. 1, 1906, and Jan. 1, 1912	0
Number of shares sold between Jan. 1, 1906, and Jan. 1, 1912	0

Number of shares owned Jan. 1, 1912	0
Number of shares acquired between Jan. 1, 1912, and Nov. 1, 1912	100
Number of shares sold between Jan. 1, 1912, and Nov. 1, 1912	0

Balance acquired	100
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Number of shares owned Nov. 1, 1912	100
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Security Safe Deposit Co., Buffalo, N. Y.:

Number of shares owned Jan. 1, 1906	50
Number of shares acquired between Jan. 1, 1906, and Jan. 1, 1912	0

Total	50
Number of shares sold between Jan. 1, 1906, and Jan. 1, 1912	50

Number of shares owned Jan. 1, 1912	0
Number of shares acquired between Jan. 1, 1912, and Nov. 1, 1912	0
Number of shares sold between Jan. 1, 1912, and Nov. 1, 1912	0

Balance	0
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Number of shares owned Nov. 1, 1912	0
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GARDINER M. LANE.

Windsor Trust Co., New York, N. Y.:

Number of shares acquired between Jan. 1, 1906, and Jan. 1, 1912	10
Number of shares sold between Jan. 1, 1906, and Jan. 1, 1912	10

Number of shares owned Jan. 1, 1912	0
Number of shares acquired between Jan. 1, 1912, and Nov. 1, 1912	0
Number of shares sold between Jan. 1, 1912, and Nov. 1, 1912	0

Balance	0
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Number of shares owned Nov. 1, 1912	0
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First National Bank, Boston, Mass.:

Number of shares acquired between Jan. 1, 1906, and Jan. 1, 1912	75
Number of shares sold between Jan. 1, 1906, and Jan. 1, 1912	0

Number of shares owned Jan. 1, 1912	75
Number of shares acquired between Jan. 1, 1912, and Nov. 1, 1912	50
Number of shares sold between Jan. 1, 1912, and Nov. 1, 1912	125

Balance, sold	75
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Number of shares owned Nov. 1, 1912	0
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Merchants National Bank, Boston, Mass.:

Number of shares acquired between Jan. 1, 1906, and Jan. 1, 1912	100
Number of shares sold between Jan. 1, 1906, and Jan. 1, 1912	0

Number of shares owned Jan. 1, 1912	100
Number of shares acquired between Jan. 1, 1912, and Nov. 1, 1912	0
Number of shares sold between Jan. 1, 1912, and Nov. 1, 1912	100

Balance sold	100
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Number of shares owned Nov. 1, 1912	0
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New York State National Bank, Albany, N. Y.:

Number of shares acquired between Jan. 1, 1906, and Jan. 1, 1912	102
Number of shares sold between Jan. 1, 1906, and Jan. 1, 1912	0

Number of shares owned Jan. 1, 1912	102
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Number of shares acquired between Jan. 1, 1912, and Nov. 1, 1912	0
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Number of shares sold between Jan. 1, 1912, and Nov. 1, 1912	102
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Balance sold	102
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Number of shares owned Nov. 1, 1912	0
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Old Colony Trust Co., Boston, Mass.:

Number of shares acquired between Jan. 1, 1906, and Jan. 1, 1912	300
Number of shares sold between Jan. 1, 1906, and Jan. 1, 1912	0

Number of shares owned Jan. 1, 1912	300
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Number of shares acquired between Jan. 1, 1912, and Nov. 1, 1912	28
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Number of shares sold between Jan. 1, 1912, and Nov. 1, 1912	160
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Balance sold	132
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Number of shares owned Nov. 1, 1912	168
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Standard Trust Co., New York, N. Y.:

Number of shares acquired between Jan. 1, 1906, and Jan. 1, 1912	38
Number of shares sold between Jan. 1, 1906, and Jan. 1, 1912	0

Number of shares owned Jan. 1, 1912	38
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Number of shares acquired between Jan. 1, 1912, and Nov. 1, 1912	0
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Number of shares sold between Jan. 1, 1912, and Nov. 1, 1912	38
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Balance sold	38
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Number of shares owned Nov. 1, 1912	0
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JAMES J. STORROW.

City Trust Co., Boston, Mass.:

Number of shares owned Jan. 1, 1906	150
Number of shares acquired between Jan. 1, 1906, and Jan. 1, 1912	15

Total	165
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Number of shares sold between Jan. 1, 1906, and Jan. 1, 1912	165
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Number of shares owned Jan. 1, 1912	0
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Number of shares acquired between Jan. 1, 1912, and Nov. 1, 1912	0
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Number of shares sold between Jan. 1, 1912, and Nov. 1, 1912	0
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Balance	0
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Number of shares owned Nov. 1, 1912	0
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First National Bank, Boston, Mass.:

Number of shares owned Jan. 1, 1906	100
Number of shares acquired between Jan. 1, 1906, and Jan. 1, 1912	528

Total	628
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Number of shares sold between Jan. 1, 1906, and Jan. 1, 1912	125
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Number of shares owned Jan. 1, 1912	503
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Number of shares acquired between Jan. 1, 1912, and Nov. 1, 1912	325
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Number of shares sold between Jan. 1, 1912, and Nov. 1, 1912	0
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Balance acquired	335
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Number of shares owned Nov. 1, 1912	838
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Merchants National Bank, Boston, Mass.:

Number of shares owned Jan. 1, 1906.....	65
Number of shares acquired between Jan. 1, 1906, and Jan. 1, 1912.....	0

Total.....	65
Number of shares sold between Jan. 1, 1906, and Jan. 1, 1912.....	65

Number of shares owned Jan. 1, 1912.....	0
Number of shares acquired between Jan. 1, 1912, and Nov. 1, 1912.....	0
Number of shares sold between Jan. 1, 1912, and Nov. 1, 1912.....	0

Balance	0
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Number of shares owned Nov. 1, 1912.....	0
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New England Trust Co., Boston, Mass.:

Number of shares owned Jan. 1, 1906.....	75
Number of shares acquired between Jan. 1, 1906, and Jan. 1, 1912.....	0

Total.....	75
Number of shares sold between Jan. 1, 1906, and Jan. 1, 1912.....	75

Number of shares owned Jan. 1, 1912.....	0
Number of shares acquired between Jan. 1, 1912, and Nov. 1, 1912.....	0
Number of shares sold between Jan. 1, 1912, and Nov. 1, 1912.....	0

Balance	0
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Number of shares owned Nov. 1, 1912.....	0
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Old Colony Trust Co., Boston, Mass.:

Number of shares acquired between Jan. 1, 1906, and Jan. 1, 1912.....	198
Number of shares sold between Jan. 1, 1906, and Jan. 1, 1912.....	0

Number of shares owned Jan. 1, 1912.....	198
Number of shares acquired between Jan. 1, 1912, and Nov. 1, 1912.....	20
Number of shares sold between Jan. 1, 1912, and Nov. 1, 1912.....	0

Balance, acquired.....	20
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Number of shares owned Nov. 1, 1912.....	218
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Paul Revere Trust Co., Boston, Mass.:

Number of shares acquired between Jan. 1, 1906, and Jan. 1, 1912.....	0
Number of shares sold between Jan. 1, 1906, and Jan. 1, 1912.....	0

Number of shares owned Jan. 1, 1912.....	0
Number of shares acquired between Jan. 1, 1912, and Nov. 1, 1912.....	200
Number of shares sold between Jan. 1, 1912, and Nov. 1, 1912.....	0

Balance, acquired.....	200
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Number of shares owned Nov. 1, 1912.....	200
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GEORGE C. LEE.

City Trust Co., Boston, Mass.:

Number of shares acquired between Jan. 1, 1906, and Jan. 1, 1912.....	25
Number of shares sold between Jan. 1, 1906, and Jan. 1, 1912.....	25

Number of shares owned Jan. 1, 1912.....	0
Number of shares acquired between Jan. 1, 1912, and Nov. 1, 1912.....	0
Number of shares sold between Jan. 1, 1912, and Nov. 1, 1912.....	0

Balance	0
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Number of shares owned Nov. 1, 1912.....	0
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Commonwealth Trust Co., Boston:

Number of shares acquired between Jan. 1, 1906, and Jan. 1, 1912----	10
Number of shares sold between Jan. 1, 1906, and Jan. 1, 1912-----	0
Number of shares owned Jan. 1, 1912-----	10
Number of shares acquired between Jan. 1, 1912, and Nov. 1, 1912-----	0
Number of shares sold between Jan. 1, 1912, and Nov. 1, 1912--	0
Balance-----	0
Number of shares owned Nov. 1, 1912-----	10

N. PENROSE HALLOWELL.

Adams Trust Co., Boston, Mass.:

Number of shares owned Jan. 1, 1906-----	10
Number of shares acquired between Jan. 1, 1906, and Jan. 1, 1912----	0
Total-----	10
Number of shares sold between Jan. 1, 1906, and Jan. 1, 1912-----	10
Number of shares owned Jan. 1, 1912-----	0
Number of shares acquired between Jan. 1, 1912, and Nov. 1, 1912-----	0
Number of shares sold between Jan. 1, 1912, and Nov. 1, 1912--	0
Balance-----	0
Number of shares owned Nov. 1, 1912-----	0

Blue Hill National Bank, Milton, Mass.:

Number of shares acquired between Jan. 1, 1906, and Jan. 1, 1912---	10
Number of shares sold between Jan. 1, 1906, and Jan. 1, 1912-----	0
Number of shares owned Jan. 1, 1912-----	10
Number of shares acquired between Jan. 1, 1912, and Nov. 1, 1912-----	1
Number of shares sold between Jan. 1, 1912, and Nov. 1, 1912--	0
Balance acquired-----	1
Number of shares owned Nov. 1, 1912-----	11

City Trust Co., Boston, Mass.:

Number of shares acquired between Jan. 1, 1906, and Jan. 1, 1912---	1
Number of shares sold between Jan. 1, 1906, and Jan. 1, 1912-----	0
Number of shares owned Jan. 1, 1912-----	1
Number of shares acquired between Jan. 1, 1912, and Nov. 1, 1912-----	0
Number of shares sold between Jan. 1, 1912, and Nov. 1, 1912--	0
Balance-----	0
Number of shares owned Nov. 1, 1912-----	1

Commonwealth Trust Co., Boston, Mass.:

Number of shares acquired between Jan. 1, 1906, and Jan. 1, 1912----	15
Number of shares sold between Jan. 1, 1906, and Jan. 1, 1912-----	10
Number of shares owned Jan. 1, 1912-----	5
Number of shares acquired between Jan. 1, 1912, and Nov. 1, 1912-----	0
Number of shares sold between Jan. 1, 1912, and Nov. 1, 1912--	5
Balance sold-----	5
Number of shares owned Nov. 1, 1912-----	0

National Bank of Commerce, Boston, Mass.:

Number of shares owned Jan. 1, 1906-----	15
Number of shares acquired between Jan. 1, 1906, and Jan. 1, 1912----	0
Total -----	15
Number of shares sold between Jan. 1, 1906, and Jan. 1, 1912-----	0
Number of shares owned Jan. 1, 1912-----	15
Number of shares acquired between Jan. 1, 1912, and Nov. 1, 1912-----	0
Number of shares sold between Jan. 1, 1912, and Nov. 1, 1912--	0
Balance -----	0
Number of shares owned Nov. 1, 1912-----	15

Old Colony Trust Co., Boston, Mass.:

Number of shares acquired between Jan. 1, 1906, and Jan. 1, 1912----	6
Number of shares sold between Jan. 1, 1906, and Jan. 1, 1912-----	0
Number of shares owned Jan. 1, 1912-----	6
Number of shares acquired between Jan. 1, 1912, and Nov. 1, 1912-----	8
Number of shares sold between Jan. 1, 1912, and Nov. 1, 1912--	0
Balance acquired-----	8
Number of shares owned Nov. 1, 1912-----	14

State Street Trust Co., Boston, Mass.:

Number of shares owned Jan. 1, 1906-----	5
Number of shares acquired between Jan. 1, 1906, and Jan. 1, 1912----	5
Total -----	10
Number of shares sold between Jan. 1, 1906, and Jan. 1, 1912-----	10
Number of shares owned Jan. 1, 1912-----	0
Number of shares acquired between Jan. 1, 1912, and Nov. 1, 1912-----	0
Number of shares sold between Jan. 1, 1912, and Nov. 1, 1912--	0
Balance -----	0
Number of shares owned Nov. 1, 1912-----	0

FRANCIS L. HIGGINSON, JR.

Commonwealth Trust Co., Boston, Mass.:

Number of shares acquired between Jan. 1, 1906, and Jan. 1, 1912----	10
Number of shares sold between Jan. 1, 1906, and Jan. 1, 1912-----	0
Number of shares owned Jan. 1, 1912-----	10
Number of shares acquired between Jan. 1, 1912, and Nov. 1, 1912-----	0
Number of shares sold between Jan. 1, 1912, and Nov. 1, 1912--	0
Balance -----	0
Number of shares owned Nov. 1, 1912-----	10

SYNDICATE.

Commonwealth Trust Co., Boston:

Number of shares acquired between Jan. 1, 1906, and Jan. 1, 1912---	424
Number of shares sold between Jan. 1, 1906, and Jan. 1, 1912-----	80
Number of shares owned Jan. 1, 1912-----	344

Commonwealth Trust Co., Boston—Continued.

Number of shares acquired between Jan. 1, 1912, and Nov. 1, 1912	0
Number of shares sold between Jan. 1, 1912, and Nov. 1, 1912	0
Balance	0
Number of shares owned Nov. 1, 1912	344

In this syndicate the firm of Lee, Higginson & Co. has an interest of 25 per cent.

Merchants National Bank, Worcester, Mass.:

Number of shares owned Jan. 1, 1906	1,841
Number of shares acquired between Jan. 1, 1906, and Jan. 1, 1912	1,321
Total	3,162
Number of shares sold between Jan. 1, 1906, and Jan. 1, 1912	3,162
Number of shares owned Jan. 1, 1912	0
Number of shares acquired between Jan. 1, 1912, and Nov. 1, 1912	0
Number of shares sold between Jan. 1, 1912, and Nov. 1, 1912	0
Balance	0
Number of shares owned Nov. 1, 1912	0

In this syndicate the firm of Lee, Higginson & Co. had an interest of 50 per cent.

A statement of sales of bonds made by Lee, Higginson & Co. to life insurance companies since January 1, 1907:

AETNA LIFE INSURANCE CO., HARTFORD, CONN.

Chicago Telephone 5's, 1923	\$50,000
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AGRICULTURAL INSURANCE CO., WATERTOWN, N. Y.

Butte Electric & Power Co. 5's, 1951	\$27,000
Puget Sound Electric Co. 5's, 1932	10,000
California Gas & Electric Corporation 5's, 1937	25,000
Michigan Central Railroad Co. 4's, 1929	15,000
American Telephone & Telegraph Co. 4's, 1929	15,000
Mahoning & Shenango Railway & Light Co. 5's, 1916	10,000

BUFFALO COMMERCIAL INSURANCE CO., BUFFALO, N. Y.

Chicago, Burlington & Quincy, Neb., ext. 4's, 1927	\$5,000
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COLUMBIAN NATIONAL LIFE INSURANCE CO., BOSTON, MASS.

Interborough Rapid Transit Co. 6's, 1911	\$20,000
Kennebec Water District 3½'s, 1925	25,000
Portland & Ogdensburg 4½'s, 1928	20,000
Chicago & Western Indiana Railroad, general, 6's, 1932	50,000
Chicago City Railway 5's, 1927	25,000
Carbondale & Shawneetown 4's, 1932	9,000
Grand Rapids & Indiana 4½'s, 1941	5,000
Vermont Valley R. R. 4½'s, 1940	25,000
Minneapolis General Electric Co. 5's, 1934	25,000
Portland Railway, Light & Power Co. 5's, 1942	25,000

COMMERCE INSURANCE CO., ALBANY, N. Y.

Interborough Rapid Transit Co. 5's, 1952	\$15,000
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CONNECTICUT GENERAL LIFE INSURANCE CO., HARTFORD, CONN.

Kansas City, Memphis & Birmingham 4's, 1934	\$9,000
Houston Electric Co. 5's, 1925	3,000
Northern Texas Traction Co. 5's, 1933	3,000
State of Connecticut 4's, 1936	10,000

CONNECTICUT MUTUAL LIFE INSURANCE CO., HARTFORD, CONN.

New York, New Haven & Hartford 6's, 1948	\$25,000
Michigan Central Railroad 4's, 1929	60,000

DUTCHESS INSURANCE CO., POUGHKEEPSIE, N. Y.

United Fruit Co. debentures 4½'s, 1923	\$8,000
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EQUITABLE LIFE INSURANCE CO., NEW YORK CITY.

Kansas City Terminal Railway 4's, 1960	\$350,000
Kansas City Belt Railway first 6's, 1916	2,000
Chile Government 5 per cent loan of 1911	50,000
New Orleans Terminal Railway 4's, 1953	250,000
Cincinnati, Richmond & Fort Wayne 7's, 1921	100,000
City of Omaha, Nebr., 4½'s, 1941	50,000

EXPRESSMEN'S MUTUAL BENEFIT ASSOCIATION, NEW YORK CITY.

New York Central & Hudson River R. R. 3½'s, 1997	\$5,000
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JOHN HANCOCK MUTUAL LIFE INSURANCE CO., BOSTON, MASS.

Richmond-Washington R. R. 4s, 1943	\$100,000
Kansas City, Memphis & Birmingham R. R. 5s, 1934	4,000
Iowa, Minnesota & Northwestern R. R. 3½'s, 1935	40,000
Atchison, Topeka & Santa Fe R. R., general 4s, 1995	100,000
Portland & Ogdensburg R. R. 4½'s, 1923	95,000
Chicago, Burlington & Quincy R. R. 4s, 1958	100,000
City of St. Joseph 4s, 1928	50,000
Chicago & Western Indiana R. R. 4s, 1952	45,000
Concord & Montreal R. R. 4s, 1920	100,000
Maine Central R. R. 4s, 1913	200,000
Chicago, Milwaukee & Puget Sound R. R. 4s, 1949	50,000

HOME LIFE INSURANCE CO., NEW YORK CITY.

Western Electric Co. 5s, 1922	\$300,000
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HOME INSURANCE CO., NEW YORK CITY.

Kansas City Terminal Ry. 4s, 1960	\$35,000
Florida East Coast Ry. 4½'s, 1959	100,000

INTERNATIONAL INSURANCE CO., NEW YORK CITY.

Boston & Maine R. R. 4 per cent notes, June 10, 1913	\$50,000
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MANHATTAN LIFE INSURANCE CO., NEW YORK CITY.

Western Electric Co. 5's, 1922	\$200,000
Metropolitan Street Railway Co. of Kansas City 5's, 1913	100,000

MASSACHUSETTS HOSPITAL LIFE INSURANCE CO., BOSTON, MASS.

New York, New Haven & Hartford R. R. 5's, 1912	\$100,000
Boston & Lowell R. R. 6's, 1909	75,000
Chicago Junction & Union Stock Yards 5's, 1915	25,000
Chicago Junction & Union Stock Yards 4's, 1945	100,000

MASSACHUSETTS MUTUAL LIFE INSURANCE CO., SPRINGFIELD, MASS.

Texas & Oklahoma 5's, 1943	\$14,000
Chicago, Burlington & Quincy, Illinois division, 3½'s, 1949	100,000
Louisville & Nashville R. R. 4's, 1940	50,000
Duluth, South Shore & Atlantic Ry. 5's, 1937	100,000
Peoria & Northwestern R. R. 3½'s, 1926	95,000
Princeton & Northwestern R. R. 3½'s, 1926	85,000
Boston Elevated Ry. Co. 4½'s, 1937	100,000
Chicago, Burlington & Quincy, Illinois division, reg. 4's, 1929 to 1949	100,000
Kansas City Terminal Ry. 4's, 1960	250,000
Florida East Coast Ry. 4½'s, 1959	250,000
Newport & Richford R. R. 5's, 1941	328,000
Detroit Terminal & Tunnel 4½'s, 1961	200,000
South & North Alabama R. R. 5's, 1936	150,000
Cedar Rapids, Iowa Falls & North R. R. 5's, 1921	25,000
Illinois Central R. R. Co., St. Louis division, 3½'s, 1951	148,000
St. Louis Southwestern Ry. first 4's, 1989	15,000
Brooklyn & Montauk R. R. second 5's, 1938	83,000
Galveston, Harrisburg & San Antonio R. M. & P. Ex. 5's, 1913	100,000
Illinois Central R. R. Co., Richfield 3's, 1951	25,000
Boston & Albany R. R., equipment. 4½'s, 1927	50,000

METROPOLITAN LIFE INSURANCE CO., NEW YORK CITY.

Chicago Telephone Co. 5's, 1923	\$33,000
Metropolitan Street Railway Co. of Kansas City 5's, 1913	500,000
California Gas & Electric Corporation 5's, 1937	500,000
Portland Railway, Light & Power Co. 5's, 1942	100,000
Virginian Railway Co. 5's, 1962	551,000

NATIONAL UNION INSURANCE CO., TOLEDO, OHIO.

Martins Ferry, Ohio, 5's, 1927	\$14,000
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NEW ENGLAND MUTUAL LIFE INSURANCE CO., BOSTON, MASS.

New York, New Haven & Hartford R. R. 5% notes, 1912	\$100,000
Boston & Maine R. R. 4's, 1926	170,000
Richmond-Washington 4's, 1943	100,000
St. Paul, Minnesota & Manitoba 4's, 1940	£10,000
Iowa, Minn. & Northwestern 3½'s, 1935	\$100,000
Terminal R. R. Association, St. Louis 4's, 1953	200,000
Atchison, Topeka & Santa Fe R. R. 4's, 1928	100,000
Atchison & East Oklahoma 4's, 1928	100,000
Chicago, Burlington & Quincy R. R. 4's, 1958	250,000
New York, Chicago, & St. Louis R. R. 4's, 1931	50,000
Atlantic Coast Line convertible 4's, 1952	100,000
St. Paul & Duluth 4's, 1968	100,000
City of St. Joseph 4's, 1928	100,000
Chicago City Ry. 5's, 1927	100,000
Florida East Coast 4½'s, 1959	100,000
Western Electric Co. 4½'s 1912	50,000
Kansas City Terminal 4's, 1960	100,000
Maine Central R. R. 4½'s, 1912	100,000
Colorado & Southern R. R. 4's, 1929	50,000
Western Electric Co. 5's, 1922	100,000
New York, New Haven & Hartford R. R. 4½'s, 1912	250,000
Minneapolis General Electric Co. 5's, 1934	50,000
New Orleans Terminal R. R. 4's, 1953	100,000
Central New England R. R. 4's, 1931	60,000
Virginia Ry. 5's, 1962	100,000
Boston & Maine R. R. 4's, 1913	100,000
General Electric Co. 5's, 1952	25,000

NEW YORK LIFE INSURANCE CO., NEW YORK CITY.

New Orleans Terminal R. R. 4's, 1953	\$500,000
Boston & Albany equipment trust 4½'s, 1923	154,000
Boston & Albany equipment trust 4½'s, 1916	146,000
Boston & Albany equipment trust 4½'s, 1917	200,000
Boston & Albany equipment trust 4½'s, 1918	200,000
Boston & Albany equipment trust 4½'s, 1919	200,000
Boston & Albany equipment trust 4½'s, 1920	200,000
Boston & Albany equipment trust 4½'s, 1921	200,000
Boston & Albany equipment trust 4½'s, 1922	200,000

NORTHWESTERN MUTUAL LIFE INSURANCE, MILWAUKEE, WIS.

City of Spokane, Wash.:

General 4½s, 1931	\$300,000
Water 4½s, 1931	200,000

PENNSYLVANIA CO. FOR INSURANCE ON LIVES AND GRANTING ANNUITIES,
PHILADELPHIA, PA.

Rock Island & Pacific first 6s, 1917	\$6,000
Lehigh Valley Railroad 4½s, 1923	9,000
Philadelphia & Erie Railroad registered 4s, 1920	2,000
Lehigh Coal & Navigation 4½s, 1914	2,000
Metropolitan Street Railway of Kansas City 5s, 1913	5,000

PENN MUTUAL LIFE INSURANCE, PHILADELPHIA, PA.

New York Central Lines equipment 4½s, 1918	\$100,000
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PHILADELPHIA TRUST, SAFE DEPOSIT & INSURANCE CO.

Louisville & Nashville Railroad Co. 4s, 1940	\$100,000
Seattle Electric-Seattle-Everett 5s, 1939	50,000
General Motors Co. first 6s, 1915	50,000
American Agricultural Chemical Co. 5s, 1928	50,000
Fort Smith Light & Traction Co. 5s, 1936	30,000

PROVIDENT LIFE & TRUST CO., PHILADELPHIA, PA.

New York, New Haven & Hartford Railroad Co. 4½s, 1911	\$50,000
Lake Shore & Michigan Southern Railroad 5s, 1910	10,000
Kansas City, Fort Scott & Memphis 5s, 1911	200,000
New York, New Haven & Hartford Railroad 4½s, 1912	300,000
Chicago & North Western Railway 7s, 1915	211,000
New York, New Haven & Hartford 4 per cent notes, 1913	600,000
Maine Central Railroad 4 per cent notes, 1913	250,000

PRUDENTIAL INSURANCE CO. OF AMERICA, NEWARK, N. J.

Sunbury, Hazleton & Wilkes-Barre Ry. Co. second 6s, 1938	\$498,000
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SECURITY MUTUAL LIFE INSURANCE, BINGHAMTON, N. Y.

Norfolk & Western R. R. Co. divisional 4s, 1944	\$65,000
Chicago & Eastern Illinois R. R. 5s, 1937	10,000
Bangor & Aroostook R. R. Piscataquis 5s, 1943	25,000
Northern Maine Seaport Ry. 5s, 1935	25,000
Interborough Rapid Transit Co. 6s, 1911	25,000
New York City 4½s, 1957	20,000

STANDARD LIFE & ACCIDENT INSURANCE CO., DETROIT, MICH.

City of Phoenix, Ariz., water:

5s, 1927	\$10,000
5s, 1928	15,000

STATE MUTUAL LIFE ASSURANCE CO. (WORCESTER).

Chicago, Burlington & Quincy R. R. 4s, 1958	\$50,000
Kennebec water district 3½s, 1925	50,000
City of Chicago 4s, 1927	15,000
Illinois Central R. R. 4s, 1955	25,000
City of St. Joseph 4s, 1928	50,000
Boston & Lowell R. R. 4s, 1929	50,000
Duluth, Missabe & Northern Ry. 5s, 1941	50,000
Florida East Coast 4½s, 1959	50,000
Washington Water Power Co. 5s, 1939	50,000
City of Troy 4s, 1936	25,000
City of Troy 4s, 1938	25,000
Delaware & Hudson Co. 4s, 1943	50,000
City of St. Paul 4s, 1938	39,000
Kansas City Terminal 4s, 1960	100,000
Maine Central R. R. 4½s, 1912	50,000
Baltimore & Ohio R. R. 4s, 1941	50,000
New Orleans Terminal R. R. 4s, 1953	50,000
California Gas & Electric Corporation 5s, 1937	50,000
Central New England Railway 4s, 1961	75,000
Houston Electric Co. 5s, 1925	35,000
Western Electric Co. 5s, 1922	50,000
Detroit Terminal & Tunnel 4½s, 1961	50,000
United Fruit Co. 4½s, 1925	25,000
Dominion Coal Co. 5s, 1940	50,000
New York, Westchester & Boston R. R. 4½s, 1946	75,000
Butte Electric & Power Co. 5s, 1951	50,000
Cumberland Telephone & Telegraph Co. 5s, 1937	50,000
Chicago Telephone & Telegraph Co. 5s, 1923	100,000

TRAVELERS' INSURANCE CO., HARTFORD, CONN.

American Telephone & Telegraph Co. 5 per cent notes, 1910	\$50,000
Chicago & West Indiana R. R. 5's, 1910	100,000
New York, New Haven & Hartford R. R. Co. 5's, 1908	25,000
Chicago, Burlington & Quincy R. R. 4's, 1958	10,000
Kansas City, Memphis & Birmingham 4's, 1934	50,000
Washington Water Power Co. 5's, 1939	50,000
Michigan Central R. R. Co. 4's, 1929	50,000
Peoria & Northwestern R. R. 3½'s, 1926	25,000
Sioux City & Pacific 3½'s, 1936	25,000
Boston & Albany R. R. equipment 4½'s, 1926	25,000

UNION MUTUAL LIFE INSURANCE CO., PORTLAND, ME.

City of Troy, N. Y., regular 4's, 1939	\$20,000
Vermont Valley first mortgage 4½'s, 1940	10,000
Bridgton & Saco River R. R. Co. 4's, 1928	4,000
Chicago & West Indiana R. R. 5's, 1910	10,000
Lake Shore & Michigan Southern 5's, 1910	25,000
City of Holyoke, Mass., regular:	
4's, 1911	10,500
4's, 1912	10,500
4's, 1913	10,500
City of Fall River, Mass., regular 3½'s, 1913	20,000
City of Somerville, Mass.:	
4's, 1908	9,000
4's, 1909	11,000
4's, 1910	9,000
City of Peabody, Mass., 4's, 1912	5,000
City of Portland, Me., 4's, 1913	1,000
City of Syracuse, N. Y.:	
4½'s, 1913	10,000
4½'s, 1914	10,000

City of Newton, Mass. :	
4's, June, 1914-----	\$12,000
4's, July, 1914-----	7,000
4's, 1912-----	3,000
City of Chicago 4s, 1916-----	10,000
Fitchburg R. R. 4½s, 1928-----	22,000
Portland & Ogdensburg Ry. 4½s, 1928-----	10,000
City of South Portland :	
4s, 1918-----	4,000
4s, 1919-----	3,000
4s, 1920-----	3,000
4s, 1921-----	3,000
4s, 1922-----	3,000
4s, 1923-----	3,000
4s, 1924-----	3,000
4s, 1925-----	3,000
Florida East Coast Ry 4½s, 1959-----	15,000

YEOMEN OF AMERICA, AURORA, ILL.

Chicago, Burlington & Quincy R. R. 4s, 1958-----	\$5,000
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No railroad or industrial corporation engaged in interstate commerce has been reorganized by the firm of Lee, Higginson & Co., or under its direction, except as follows:

Mr. Gardiner M. Lane was one of the reorganization committee of the McCall Ferry Power Co., which was reorganized on the plan of May 28, 1909. A copy of the plan of reorganization is attached hereto. Below is a list of the initial directors of the Pennsylvania Water & Power Co., which succeeded the McCall Ferry Power Co.:

J. E. Aldred, W. M. Canby, F. B. Dow, John H. Kelley, F. C. McCown, jr., K. M. Spence.

M'CALL FERRY POWER CO.

Plan and agreement.

Agreement, made this 28th day of May, 1909, between William M. Barnum, A. C. Bedford, S. Reading Bertron, Charles A. Coffin, and Gardiner M. Lane (hereinafter called the committee), and the holders of first mortgage bonds and preferred stock of McCall Ferry Power Co. becoming parties hereto (hereinafter called depositors).

Whereas additional funds are required to complete for operation the plant now of the McCall Ferry Power Co, and the committee has prepared the following:

Plan.

1. A new company—the term “new company” being used herein to mean either the present company or any other that may be used—is to be vested with the properties of the present company and with cash as hereinafter stated, and will have authorized bonds and stock as follows: Thirty-year first mortgage 5 per cent gold bonds, \$12,500,000; stock, all of one class, \$8,500,000; of which bonds at least \$4,920,000 are to be in the treasury of the new company after the plan is carried out.

2. The holders of the bonds of the present company who become parties to this plan and agreement and perform the obligations thereof will receive in exchange for their present bonds 40 per cent of the principal thereof in such bonds and 60 per cent of such principal in negotiable voting trust certificates for such stock of the new company all such new stock to be deposited under a voting trust terminating November 1, 1912, when the voting trust certificates will be exchangeable for the stock—the voting trust to provide for three voting trustees, two to be nominated by those furnishing the new money and one by the committee, and their successors to be nominated in the same interests respectively.

3. From \$4,170,000 to \$4,250,000 of such bonds and \$3,500,000 of such stock of the new company are to be for sale at a price to realize 90 per cent of the principal of the bonds.

4. The disposition of the securities of the new company, in accordance with the foregoing, is indicated in the following table:

Parties.	Bonds.	Stock.
To those furnishing the new money (\$3,753,000, at least).....	\$4,170,000	\$3,500,000
To holders of the present bonds (\$8,325,000) ¹ 40 per cent in new bonds and 60 per cent in new stock.....	3,330,000	4,995,000
	7,500,000	8,495,000

¹ Certain additional bonds outstanding in pledge are not included, as they will be discharged from pledge and canceled in carrying out said plan and agreement.

5. The committee may cause fractional scrip to be issued to those entitled to fractional amounts of bonds or stock.

Now, therefore, this indenture witnesseth:

First. William M. Barnum, A. C. Bedford, S. Reading Bertron, Charles A. Coffin, and Gardiner M. Lane agree to act as the committee.

Second. All holders of bonds or of bonds and preferred stock of the McCall Ferry Power Co., becoming parties hereto, hereby assent to said plan and agree to forthwith deposit, or cause the deposit of, their bonds and preferred stock with the Knickerbocker Trust Co., No. 66 Broadway, New York, or with the City Trust Co., No. 50 State Street, Boston (hereinafter called the "depositories"), it being understood that the receiving depository shall, upon such deposit, issue certificate or certificates of deposit evidencing the same, which certificates shall be transferable, and shall entitle the holder to receive new securities in accordance with said plan, or to receive back the bonds and stock deposited, as hereinafter provided. All certificates for stock shall be properly indorsed in blank for transfer. The mere deposit of any bonds or bonds and stock with one of the depositories shall operate to make the depositor a party to this agreement, and shall operate as a transfer of the bonds and stock so deposited to the committee or its successors, and shall empower the committee to exercise all the powers herein given.

Third. The holders of said bonds or bonds and stock, parties hereto, hereby severally vest in said committee, under the terms of this agreement, as trustee of an express trust, the legal title to all bonds and stock deposited or caused or agreed to be deposited by them, respectively, and give the committee full power to do all things in the committee's judgment necessary or proper to carry out said plan, including power:

(a) At their discretion, to acquire or not to acquire, at public or private sale or otherwise the whole or any part of the properties of the McCall Ferry Power Co., including any on which it holds options, and to use deposited bonds or any thereof, or any other resources, in such purchase or acquisition.

(b) To act for the depositors in presenting coupons for payment, in requesting or instructing or otherwise moving the trustee under the mortgage securing said bonds with respect to action thereunder, and also to act for them in or in respect to any action which may be brought for the foreclosure of said mortgage or in any other action which may be brought which in any way affects or may affect the rights and interests of the depositors; to receive and receipt for any money to which said bonds or stock shall be at any time entitled; to execute and deliver any requests, consents, waivers, or other writings, including consents to issuing receivers' certificates prior or not in lien, which it may seem to the committee necessary or desirable to file in any court or office or with the trustee under said mortgage or elsewhere.

(c) To employ such agents, attorneys, and counsel as the committee deem best, to represent and act for or authorize representation of and action for the depositors, or any of them, in any court or elsewhere with respect to all rights and interests in any way affecting said bonds or stock.

(d) So far as deemed expedient by the committee to contract or otherwise provide for the purchase, compromise, adjustment, or payment, in full or in part, of any indebtedness of the McCall Ferry Power Co. or of any receiver's certificates that may be liens on any of the mortgaged property, or for the extension of any such indebtedness as the obligation of the new company, or for the redemption from pledge of any property or securities directly or indirectly belonging to said McCall Ferry Power Co.

(e) To sell, contract for the sale of, or otherwise dispose of any new bonds and stock not required for the depositors or reserved for the treasury under said plan, and to contract for underwriting with respect thereto, and, in connection with any such contract for underwriting, to pay a reasonable commission therefor; any member or members of the committee, or any persons or corporations who may be associated with or represented by them, to have the right to join in any such sale or contract.

(f) To borrow money in order to raise any cash required to pay the expenses of the committee or to make any cash payment required upon any foreclosure or other sale, or to carry on any construction or other work, or purchase any property deemed necessary, or to enable the committee to do any of the other things which they may be authorized to do, or generally for any purpose which the committee may deem necessary or expedient in order to carry out said plan; the committee being hereby expressly authorized to pledge for the repayment of any or all sums so borrowed, any or all of the deposited bonds or stock, and any or all assets acquired by them, and any or all of the bonds or stock of the new company received by them under said plan, and not specifically appropriated by the plan or taken by the parties entitled thereto; but no depositor shall be liable personally for or upon any debt of the committee.

(g) To cause the new company to be organized in such manner and with such powers as the committee may deem proper, or to adapt and use an existing company as such "new company" and to fix the terms of its bonds and the mortgage securing the same, subject to the provisions of said plan; to determine all questions pertaining to the management, operation or disposition of any property acquired by them until the new company shall be organized and in possession and control of said property; to make such construction, improvements or repairs as they shall deem expedient, and to make such contracts in regard thereto as the new company might make if already organized and in operation; and to cause the provisions of said plan in respect to a voting trust and voting trust certificates to be carried out; and generally to exercise all the powers of owners and holders of said bonds and stock, including power to vote at any meeting of bondholders, creditors, or stockholders, and to use the same as the committee may deem expedient in carrying out said plan; the statement of particular powers herein not to limit the committee from or in the exercise of any power which, in their judgment, may be desirable in accomplishing the purposes of said plan and agreement; nor shall the committee be restricted in or in respect to dealing, under any of its powers, with or in respect to any property, security, or indebtedness, by reason of any interest in any thereof of any member of the committee, or of any firm or corporation in which a member is interested; it being expressly agreed by all depositors that the methods to be adopted for carrying out said plan and agreement are to be determined from time to time by the committee in their sole discretion, and that the committee shall have the right at any time to change any such determination should their judgment be changed by subsequent developments.

Fourth. Whatever shall be acquired in any way by the committee under this agreement shall be acquired by them as joint tenants, and not as tenants in common, so as to remain the property of the said committee, however the members thereof may be changed. The members of the committee shall have reasonable compensation for their services from this time in carrying out said plan, the amount of such compensation, however, to be subject to the approval of the board of directors of the new company. Any member of the committee may become a party hereto as a depositor. Any member of the committee may resign by writing, addressed to the committee. By appointment in writing signed by a majority of the committee, additional members thereof may be appointed, and vacancies therein, occurring by death, resignation, or otherwise, may be filled. The committee may act by a majority thereof either at a meeting or in writing without a meeting. Any member may vote or act by proxy appointed in writing, who may be another member of the committee or any other person approved by a majority of the committee. No member of the committee shall be liable for the act or omission of another member, nor shall the committee or any member thereof, or either of the depositaries be liable for the act or omission of any agent or employee selected in good faith, or in any case except for its or his own willful misconduct.

Fifth. The committee may construe this agreement, including said plan, and their construction thereof, or action thereunder, in good faith, shall be final

and conclusive; they shall have power to determine, and to act according to their judgment in, all matters not specifically provided for herein, but within the general purpose set out in said plan, and shall also have power to modify said plan in any matter of detail not affecting the substantial rights of the other parties hereto.

Sixth. Holders of bonds or bonds and preferred stock of the McCall Power Co. may become parties hereto at any time on or before July 1, 1909, or such later date or dates as the committee may fix, by signing this agreement, which it is understood may be signed in any number of parts, or by depositing, or causing the deposit of, their bonds or bonds and stock without such signing as above provided.

Seventh. The committee shall not be required to take any action in the interest of any of the stock deposited hereunder, nor shall it be under any obligation whatever to any holder of bonds or stock not a party to this agreement.

Eighth. In case the committee should at any time decide that it is not, for any reason, to the interest of the depositors to carry out the said plan, they may either—

(1) Declare this agreement terminated, in which case all bonds and stock deposited hereunder shall be delivered and transferred to the several holders of certificates of deposit upon surrender of said certificates, and upon payment of their due proportion of the obligations already incurred to be determined by the committee; or

(2) File a new agreement with the depositaries, mail a copy of the same in a post-paid wrapper to each depositor to the address, if any, filed with either of the depositaries, or, if no such address has been so filed, then to the address last known to the committee, whereupon the depositors shall have the right, within 20 days after the copies of such new agreement shall have been so mailed, to withdraw their bonds and stock upon payment of their due proportion of the obligations already incurred, to be determined by the committee, and in the event of failure to so withdraw within such 20 days, every depositor so failing shall be deemed to have assented to and ratified such new agreement, and such assent and ratification shall be deemed final and irrevocable.

Ninth. In case the committee shall deem it desirable or proper to give any notice to the depositors or any of them, such notice shall be deemed to have been given if mailed in writing to such depositors at the addresses, if any, filed in writing with a depository for the purpose; or when no such address has been so filed, then to the address last known to the committee.

Tenth. Acceptance of new bonds and stock by any depositor shall estop such depositor from questioning the conformity thereof, as to character or otherwise, to any provision of this plan and agreement.

Eleventh. After the reorganization shall have been completed and all debts and liabilities incurred in connection therewith shall have been paid or discharged all moneys, securities, and other property not used or required for any of the purposes herein authorized and remaining in the hands of the committee are to be transferred to or held for the benefit of the new company, under appropriate agreements for the protection and indemnity of the committee.

Twelfth. Originals of this agreement are to be lodged with said Knickerbocker Trust Co., of the city of New York, and with said City Trust Co., of Boston, where they may be inspected by depositors. This instrument may be signed in several parts with the same effect as if all signatures were hereon.

Upon transfer of any certificate of deposit the transferee shall succeed to all the rights of the prior holder and be subject to all the provisions hereof. The word "depositors" herein includes the holders of record of the certificates of deposit issued hereunder outstanding at the time in question. The committee and the depositaries may treat the holder of record of each certificate of deposit as the absolute owner thereof.

The depositaries shall severally hold and dispose of, subject to the order of a majority of the committee, the bonds and certificates of stock deposited with it, and, in acting as depositaries hereunder, act respectively as agents for and are answerable to the committee alone.

A writing signed by a majority of the committee shall be sufficient evidence to the depositaries of any action of the committee stated therein.

In witness whereof, the parties of the first part (members of said committee) have hereunto signed their names, and the various depositors, parties of the second part, have hereunto signed their names and written opposite thereto the

amount of bonds and stock deposited by them, respectively, or have deposited, or caused the deposit of, their bonds and stock, the day and year first above written.

WILLIAM M. BARNUM.
A. C. BEDFORD.
S. READING BERTRON.
CHARLES A. COFFIN.
GARDINER M. LANE.

EXHIBIT No. 216, JANUARY 22, 1913

Statement of issues of bonds of and shares in interstate corporations in the purchase, sale, or underwriting of which the firm of Lee, Higginson & Co. took part, either alone or jointly with other bankers or banks, as called for by paragraphs 7 and 9.

AMERICAN AGRICULTURAL CHEMICAL CO.

Twenty-year first mortgage 5 per cent convertible bonds, dated October 1, 1908, and due October 1, 1928.

September and October, 1908.

\$8,000,000 bonds bought by Lee, Higginson & Co.

Forty-two banks and bankers participated through Lee, Higginson & Co. in the underwriting and sale of the bonds, as follows:

Hornblower & Weeks, Boston, Mass.
Clark, Dodge & Co., New York, N. Y.
Moffat & White, New York, N. Y.
Parkinson & Burr, Boston, Mass.
Jackson & Curtis, Boston, Mass.
Chase National Bank, New York, N. Y.
National City Bank, New York, N. Y.
J. P. Morgan & Co., New York, N. Y.
Estabrook & Co., Boston, Mass.
Bank of Montreal (agency), New York, N. Y.
Strong, Sturgis & Co., New York, N. Y.
Harvey Fisk & Sons, New York, N. Y.
Henry & West, Philadelphia, Pa.
Bond & Goodwin, Boston, Mass.
Blodget, Merritt & Co., Boston, Mass.
Curtis & Sanger, Boston, Mass.
F. S. Moseley & Co., Boston, Mass.
Edgerly & Crocker, Boston, Mass.
W. O. Gay, Boston, Mass.
Townsend, Anthony & Tyson, Boston, Mass.
Moors & Cabot, Boston, Mass.
James A. Hutchinson, Boston, Mass.
Chicago Savings Bank & Trust Co., Chicago, Ill.
American Trust & Savings Bank, Chicago, Ill.
Babcock, Rushton & Louderback, Chicago, Ill.
A. G. Edwards & Sons, St. Louis, Mo.
Commercial National Bank, Chicago, Ill.
Lyon, Gary & Co., Chicago, Ill.
W. H. Fillmore & Co., Chicago, Ill.
Russell, Brewster & Co., Chicago, Ill.
And 12 others in other cities.

January, 1911.

\$4,000,000 bonds bought by Lee, Higginson & Co.

Seventeen banks and bankers participated through Lee, Higginson & Co. in the underwriting and sale of the bonds, as follows:

Clark, Dodge & Co., New York, N. Y.
J. P. Morgan & Co., New York, N. Y.
National City Bank, New York, N. Y.
Chase National Bank, New York, N. Y.
White, Weld & Co., New York, N. Y.
J. & W. Seligman & Co., New York, N. Y.
Parkinson & Burr, Boston, Mass.
Estabrook & Co., Boston, Mass.

Seventeen banks and bankers participated through Lee, Higginson & Co. in the underwriting and sale of the bonds, as follows—Continued.

Bond & Goodwin, Boston, Mass.
 F. S. Moseley & Co., Boston, Mass.
 Northern Trust Co., Chicago, Ill.
 Continental & Commercial National Bank, Chicago, Ill.
 First Trust & Savings Bank, Chicago, Ill.
 And four others in other cities.

Six per cent cumulative preferred stock.

April, 1912.

\$6,000,000 par value of the shares underwritten by Lee, Higginson & Co.

\$2,522,100 par value of the shares not subscribed for by the stockholders of the American Agricultural Chemical Co. were taken up by Lee, Higginson & Co. as syndicate managers.

Twenty-two banks and bankers participated through Lee, Higginson & Co. in the underwriting and sale of the shares, as follows:

Brown Bros. & Co., Boston, Mass.
 Hornblower & Weeks, Boston, Mass.
 Parkinson & Burr, Boston, Mass.
 Estabrook & Co., Boston, Mass.
 F. S. Moseley & Co., Boston, Mass.
 Curtis & Sanger, Boston, Mass.
 Moors & Cabot, Boston, Mass.
 Millet, Roe & Hagen, Boston, Mass.
 J. W. Bowen & Co., Boston, Mass.
 Jackson & Curtis, Boston, Mass.
 H. C. Wainwright & Co., Boston, Mass.
 Hunt, Saltonstall & Co., Boston, Mass.
 H. V. Long, Boston, Mass.
 George S. Baldwin, Boston, Mass.
 Clark, Dodge & Co., New York, N. Y.
 National City Bank, New York, N. Y.
 J. & W. Seligman & Co., New York, N. Y.
 Kuhn, Loeb & Co., New York, N. Y.
 Ames, Emerich & Co., Chicago, Ill.
 Hayden, Miller & Co., Cleveland, Ohio.
 And two others in other cities.

AMERICAN SMELTERS SECURITIES CO.

Five per cent preferred stock, "Series B."

April, 1905, to January, 1908.

Lee, Higginson & Co. took a participation of \$1,500,000 underwriting through Kuhn, Loeb & Co.

Lee, Higginson & Co. sold \$2,105,100 par value of the shares.

Ten banks and bankers participated in the underwriting taken by Lee, Higginson & Co., as follows:

City Trust Co., Boston, Mass.
 Strong, Sturgis & Co., New York, N. Y.
 Parkinson & Burr, Boston, Mass.
 American Loan & Trust Co., Boston, Mass.
 Bond & Goodwin, Boston, Mass.
 Moors & Cabot, Boston, Mass.
 And four others in other cities.

AMERICAN SMELTING & REFINING CO.

Fifteen-year 6 per cent gold debenture bonds, due February 1, 1926.

November, 1910.

Lee, Higginson & Co. took a participation of \$150,000 underwriting through Kuhn, Loeb & Co.

AMERICAN TELEPHONE & TELEGRAPH CO.

Collateral trust 4 per cent bonds, due July 1, 1929.

March, 1906.

Lee, Higginson & Co. took a participation of \$200,000 underwriting through Kidder, Peabody & Co.

AMERICAN WOOLEN CO.

Preferred stock.

December, 1906.

Lee, Higginson & Co. took a participation of \$20,000 through Brown Bros. & Co.

Lee, Higginson & Co. sold \$14,000.

AMERICAN WOOLEN CO.

Preferred stock.

June, 1909.

Lee, Higginson & Co. took a participation of \$250,000 underwriting through Brown Bros. & Co.

ARMOUR & CO.

Real estate first mortgage 4½ per cent bonds, due June 1, 1939.

May, 1909.

Lee, Higginson & Co. took a participation of \$150,000 underwriting through the National City Bank of New York.

Lee, Higginson & Co. sold \$571,000 bonds.

ATCHISON, TOPEKA & SANTA FE RAILWAY CO.

General mortgage 4 per cent bonds, due October 1, 1995.

March, 1908.

\$4,000,000 bought by a syndicate composed of Lee, Higginson & Co., Moffat & White, and Clark, Dodge & Co.

One foreign banker participated in the underwriting through Lee, Higginson & Co.

Eastern Oklahoma division first mortgage 4 per cent bonds, due March 1, 1928.

March, 1908.

Lee, Higginson & Co. took a participation of \$125,000 underwriting through the Guaranty Trust Co. of New York.

Lee, Higginson & Co. sold \$122,000 bonds.

Transcontinental Short Line first mortgage 4 per cent bonds, due July 1, 1958.

August, 1908.

Lee, Higginson & Co. took a participation of \$1,000,000 underwriting through J. P. Morgan & Co.

Lee, Higginson & Co. sold \$1,284,000 bonds.

Four banks and bankers participated through Lee, Higginson & Co. in the underwriting and sale of the bonds, as follows:

Bank of Montreal (agency), New York, N. Y.

Illinois Trust & Savings Bank, Chicago, Ill.

And two foreign bankers.

Convertible 4 per cent bonds, due June 1, 1960.

March, 1910.

Lee, Higginson & Co. took a participation of \$1,000,000 underwriting through J. P. Morgan & Co.

ATLANTIC COAST LINE RAILROAD CO.

First consolidated 4 per cent bonds, due July 1, 1952.

September, 1905, to April, 1907.

\$2,000,000 bonds bought by Lee, Higginson & Co.

\$1,146,000 bonds bought by Clark, Dodge & Co.

Lee, Higginson & Co.'s participation, \$1,031,000 bonds.

Five other banks and bankers participated in the underwriting and sale of the bonds, as follows:

Kinnicutt & Potter, New York, N. Y.

And four others in other cities.

BALDWIN LOCOMOTIVE WORKS.

First mortgage 5 per cent bonds, due May 1, 1940.

April, 1910.

Lee, Higginson & Co. took a participation of \$100,000, underwriting through Brown Bros. & Co., of Philadelphia.

BALTIMORE & OHIO RAILROAD CO.

Pittsburgh, Lake Erie & West Virginia 4 per cent bonds, due November 1, 1941.

February, 1909.

Lee, Higginson & Co. took a participation of \$100,000, underwriting through the Guaranty Trust Co. of New York.

Lee, Higginson & Co. sold \$250,000 bonds.

BOSTON & LOWELL RAILROAD CORPORATION.

Debenture 4 per cent bonds, due November 1, 1926.

June, 1906.

Lee, Higginson & Co. took a participation of \$113,750, underwriting through R. L. Day & Co.

BOSTON & MAINE RAILROAD.

Four per cent debenture bonds, due September 1, 1926.

February, 1906, to May, 1908.

\$10,000,000 bonds bought by R. L. Day & Co. for a syndicate composed of the following:

R. L. Day & Co. (managers), Boston, Mass.

Kidder, Peabody & Co., Boston, Mass.

Estabrook & Co., Boston, Mass.

Lee, Higginson & Co., Boston, Mass.

The following bankers were admitted to the syndicate by the original syndicate as above:

Blake Bros. & Co., Boston, Mass.

Brown Bros. & Co., Boston, Mass.

Parkinson & Burr participated through Lee, Higginson & Co. in the underwriting and sale of the bonds.

Six months $3\frac{1}{2}$ per cent notes, due April 1, 1909, April 21, 1909, May 2, 1909.

September, 1908.

Lee, Higginson & Co. took a participation of \$500,000 through Estabrook & Co.

Lee, Higginson & Co. sold \$250,000 notes.

One-year 4 per cent coupon notes, due June 10, 1913.

May, 1912.

Lee, Higginson & Co. bought through J. P. Morgan & Co. \$3,500,000 notes.

BOSTON & NEW YORK RAILROAD CO.

Air line 4 per cent bonds, due August 1, 1955.

March, 1906.

Five hundred thousand dollars bonds bought by a syndicate, as follows: Lee, Higginson & Co., one-half interest; Mackay & Co., one-half interest.

CENTRAL NEW ENGLAND RAILWAY CO.

First-mortgage 4 per cent bonds, due January 1, 1961.

May, 1911.

Lee, Higginson & Co. sold \$1,000,000 bonds, offered by circular of J. P. Morgan & Co., First National Bank of New York and National City Bank of New York, dated May 18, 1911.

CALUMET & HECLA MINING CO.

Five per cent coupon notes, due March 1, 1912, and March 1, 1919.

February, 1909.

Lee, Higginson & Co. bought \$1,950,000 notes of the Calumet & Hecla Mining Co.

CHESAPEAKE & OHIO RAILWAY CO.

Four per cent equipment bonds, series K, dated October 15, 1906, due April 15, 1907, to October 15, 1916, inclusive.

October, 1906.

Lee, Higginson & Co. took a participation of \$100,000, underwriting through Brown Bros. & Co.

Lee, Higginson & Co. sold \$64,000 bonds.

Four and one-half per cent convertible bonds, due February 1, 1930.

March, 1910.

Lee, Higginson & Co. took a participation of \$200,000 underwriting through J. P. Morgan & Co., Kuhn, Loeb & Co., and the National City Bank of New York.

General mortgage 4½ per cent bonds, due March 1, 1902.

September, 1910.

Lee, Higginson & Co. took a participation of \$149,000 underwriting through White, Weld & Co.

Lee, Higginson & Co. sold \$200,000 bonds.

CHICAGO, BURLINGTON & QUINCY RAILROAD CO.

General mortgage 4 per cent bonds, due March 1, 1958.

May, 1908.

Lee, Higginson & Co. took a participation of \$3,200,000, underwriting through J. P. Morgan & Co.

Lee, Higginson & Co. sold \$7,000,000 bonds.

Clark, Dodge & Co. participated, through Lee, Higginson & Co., in the underwriting.

February, 1909.

Lee, Higginson & Co. took a participation of \$3,000,000, underwriting through J. P. Morgan & Co.

Lee, Higginson & Co. sold \$1,500,000 bonds.

CHICAGO GREAT WESTERN RAILWAY CO.

First mortgage 4 per cent bonds, due September 1, 1959.

Preferred stock.

Common stock.

June, 1909.

Lee, Higginson & Co. took a participation of \$100,000, underwriting through J. P. Morgan & Co.

CHICAGO, INDIANA & SOUTHERN RAILROAD CO.

Four per cent bonds, due January 1, 1956.

March, 1908.

Lee, Higginson & Co. took a participation of \$1,000,000, underwriting through the National City Bank of New York.

Lee, Higginson & Co. sold \$50,000 bonds.

CHICAGO, MILWAUKEE & PUGET SOUND RAILWAY CO.

First mortgage 4 per cent bonds, due January 1, 1949.

March, 1911.

Lee, Higginson & Co. took a participation of \$250,000 underwriting through Kuhn, Loeb & Co. and the National City Bank, of New York.

CHICAGO, ROCK ISLAND & PACIFIC RAILWAY CO.

First and refunding mortgage 4 per cent bonds, due April 1, 1934.

February, 1906.

Lee, Higginson & Co. took a participation of \$100,000 underwriting through Speyer & Co.

Lee, Higginson & Co. sold \$100,000 bonds.

CHICAGO TELEPHONE CO.

First mortgage 5 per cent bonds, due December 1, 1923.

October, 1908.

\$5,000,000 bonds bought by a syndicate composed of the following:

First Trust & Savings Bank, Chicago, Ill.

Merchants Loan & Trust Co., Chicago, Ill.

Lee, Higginson & Co., Boston, Mass.

Lee, Higginson & Co.'s participation, \$2,000,000.
 Lee, Higginson & Co. sold \$2,416,000 bonds.
 Seven banks and bankers participated through Lee, Higginson & Co. in the underwriting and sale of the bonds, as follows:
 Illinois Trust & Savings Bank, Chicago, Ill.
 Babcock, Rushton & Louderback, Chicago, Ill.
 Chicago Savings Bank & Trust Co., Chicago, Ill.
 National City Bank, Chicago, Ill.
 J. P. Morgan & Co., New York, N. Y.
 First Trust & Savings Bank, Chicago, Ill.
 Merchants Loan & Trust Co., Chicago, Ill.
 April, 1912.
 Lee, Higginson & Co. took a participation of \$2,750,000 underwriting through Harris Trust & Savings Bank, Chicago.
 Lee, Higginson & Co. sold \$3,457,000 bonds.

CHICAGO & NORTHWESTERN RAILWAY CO.

General mortgage 4 per cent bonds, due November 1, 1987.
 November, 1910.
 Lee, Higginson & Co. took a participation of \$150,000 underwriting through Kuhn, Loeb & Co.
 April, 1911.
 Lee, Higginson & Co. took a participation of \$200,000 underwriting through Kuhn, Loeb & Co.

CHICAGO & WESTERN INDIANA RAILWAY CO.

Consolidated mortgage 4 per cent bonds, due July 1, 1952.
 April, 1903.
 Lee, Higginson & Co. bought of the Chicago & Eastern Illinois Railroad Co. \$323,000 bonds.

CONCORD & MONTREAL RAILROAD CO.

First consolidated 4 per cent bonds, due June 1, 1920.
 October, 1910.
 Lee, Higginson & Co. and J. P. Morgan & Co. bought of the Boston & Maine Railroad \$500,000 bonds.

CUDAHY PACKING CO.

First mortgage 5 per cent bonds, due May 1, 1924.
 April, 1909.
 \$4,000,000 bought by Lee, Higginson & Co.
 Twelve banks and bankers participated through Lee, Higginson & Co. in the underwriting and sale of the bonds, as follows:
 National City Bank, New York, N. Y.
 J. P. Morgan & Co., New York, N. Y.
 Moffat & White, New York, N. Y.
 Clark, Dodge & Co., New York, N. Y.
 Henry & West, Philadelphia, Pa.
 Merchants Loan & Trust Co., Chicago, Ill.
 Commercial National Bank, Chicago, Ill.
 Illinois Trust & Savings Bank, Chicago, Ill.
 St. Louis Union Trust Co. (Ltd.), Chicago, Ill.
 And three others in other cities.

CUMBERLAND TELEPHONE & TELEGRAPH CO.

First and general mortgage 5 per cent bonds, due January 1, 1937.
 February, 1912.
 Lee, Higginson & Co. bought of the Cumberland Telephone & Telegraph Co. \$1,240,000 bonds.
 Lee, Higginson & Co. formed a syndicate with Estabrook & Co., of Boston, and themselves.

DETROIT UNITED RAILWAY CO.

Three-year 5 per cent notes, due March 1, 1909.
February, 1906.

Lee, Higginson & Co. took a participation of \$100,000 underwriting through William A. Read & Co.

DULUTH, MISSABE & NORTHERN RAILWAY CO.

General mortgage 5 per cent bonds, due January 1, 1941.
March, 1909.

Lee, Higginson & Co. took a participation of one-half (probably about \$500,000) of the amount taken by the Union Trust Co., New York. No amount specified.

Lee, Higginson & Co. sold \$443,000 bonds.

EASTERN PENNSYLVANIA POWER CO.

First and refunding fives, due October 1, 1939.
January, 1912.

\$1,750,000 bonds bought by Lee, Higginson & Co.

Nine banks and bankers participated through Lee, Higginson & Co. in the underwriting and sale of the bonds, as follows:

Graham & Co., Philadelphia, Pa.

Elkins, Krumbhaar & Morris, Philadelphia, Pa.

Otis & Hough, Cleveland, Ohio.

James A. Hutchinson, Boston, Mass.

And five others in other cities.

EASTERN RAILWAY CO. OF MINNESOTA.

Northern division first mortgage 4 per cent bonds, due April 1, 1948.
April, 1909.

Lee, Higginson & Co. took a participation of approximately \$710,000 underwriting through Clark, Dodge & Co.

Lee, Higginson & Co. sold \$80,000 bonds.

ERIE RAILROAD CO.

Six per cent notes, due April 8, 1914.
February, 1911.

Lee, Higginson & Co. took a participation of \$250,000 underwriting through J. P. Morgan & Co.

Lee, Higginson & Co. sold \$1,250,000 notes.

Five per cent collateral trust notes, due April, 1915.

April, 1912.

Lee, Higginson & Co. took a participation of \$300,000 underwriting through J. P. Morgan & Co.

Lee, Higginson & Co. sold \$280,000 notes.

FITCHBURG RAILROAD CO.

One-year 6 per cent bonds, due January 15, 1909.

Boston & Lowell Railroad Corporation 1-year 6 per cent bonds, due January 15, 1909.

January, 1908.

Lee, Higginson & Co., took a participation of \$200,000 through R. L. Day & Co.

Lee, Higginson & Co. sold \$275,000 bonds.

Parkinson & Burr participated through Lee, Higginson & Co. in the underwriting.

These two issues were bought "en bloc."

Four-and-a-half per cent debenture bonds, due May 1, 1928.

April, 1908.

Lee, Higginson & Co. took a participation of \$546,000 underwriting through R. L. Day & Co.

Lee, Higginson & Co. sold \$400,000 bonds.

GENERAL ELECTRIC CO.

Five per cent debenture bonds, due September 1, 1952.
September, 1912.

\$10,000,000 bonds were bought by Lee, Higginson & Co. and J. P. Morgan & Co. jointly.

The following bankers were associated in the underwriting and sale of the bonds:

Kissel, Kinnicutt & Co., New York, N. Y.

William P. Bonbright & Co., New York, N. Y.

GENERAL MOTORS CO.

First lien 6 per cent notes, due October 1, 1915.

November, 1910.

\$15,000,000 notes bought by a syndicate, as follows:

Central Trust Co. of New York, New York, N. Y.

Kuhn, Loeb & Co., New York, N. Y.

J. & W. Seligman & Co., New York, N. Y.

Lee, Higginson & Co., Boston, Mass.

Eight banks and bankers participated through Lee, Higginson & Co. in the underwriting and sale of these notes, as follows:

Hornblower & Weeks, Boston, Mass.

First National Bank, Boston, Mass.

F. S. Moseley & Co., Boston, Mass.

Parkinson & Burr, Boston, Mass.

Brown Bros. & Co., Boston, Mass.

Bank of Montreal (agency), New York, N. Y.

And two others in other cities.

GREAT NORTHERN RAILWAY CO.

First and refunding 4½ per cent bonds, due May 1, 1961.

June, 1911.

Lee, Higginson & Co. subscribed for \$1,185,000 bonds through the First National Bank of New York.

Lee, Higginson & Co. were awarded \$1,185,000 bonds.

HILTON-DODGE LUMBER CO.

First mortgage 6 per cent bonds, dated January 2, 1912, and due July 1, 1914, to July 1, 1922, inclusive.

March, 1912.

\$4,500,000 bought by Lee, Higginson & Co.

Seven bankers participated, through Lee, Higginson & Co., in the underwriting and sale of these bonds, as follows:

Graham & Co., Philadelphia, Pa.

Allerton, Greene & King, Chicago, Ill.

A. G. Edwards & Sons, St. Louis, Mo.

Hayden, Miller & Co., Cleveland, Ohio.

And three others in other cities.

HUDSON & MANHATTAN RAILROAD CO.

Four and one-half per cent bonds, due February 1, 1957.

March, 1906.

Lee, Higginson & Co. subscribed for \$1,490,000 notes through Harvey Fisk & Sons.

\$1,366,000 notes were for Lee, Higginson & Co.'s clients.

124,000 notes were for Lee, Higginson & Co.

1,490,000 total.

ILLINOIS STEEL CO.

Debenture 4½ per cent bonds, due April 1, 1940.

July, 1911.

\$5,000,000 bought by Kissel, Kinnicutt & Co. and Lee, Higginson & Co. jointly.

Fifteen banks and bankers participated through Lee, Higginson & Co. in the underwriting and sale of these bonds, as follows:

R. L. Day & Co., Boston, Mass.
 Estabrook & Co., Boston, Mass.
 Curtis & Sanger, Boston, Mass.
 Kidder, Peabody & Co., Boston, Mass.
 Clark, Dodge & Co., New York, N. Y.
 St. Louis Union Trust Co., St. Louis, Mo.
 Illinois Trust & Savings Bank, Chicago, Ill.
 Chicago Savings Bank & Trust Co., Chicago, Ill.
 Continental & Commercial Trust & Savings Bank, Chicago, Ill.
 And six others in other cities.

April, 1912.

\$5,500,000 bought by Kissel, Kinnicutt & Co. and Lee, Higginson & Co. jointly.

Twenty-nine banks and bankers participated through Lee, Higginson & Co. in the underwriting and sale of these bonds, as follows:

Clark, Dodge & Co., New York, N. Y.
 Potter, Choate & Prentice, New York, N. Y.
 White, Weld & Co., New York, N. Y.
 Kidder, Peabody & Co., Boston, Mass.
 Estabrook & Co., Boston, Mass.
 R. L. Day & Co., Boston, Mass.
 Curtis & Sanger, Boston, Mass.
 Parkinson & Burr, Boston, Mass.
 Old Colony Trust Co., Boston, Mass.
 Van Antwerp, Bishop & Co., New York, N. Y.
 Dick Bros. & Co., New York, N. Y.
 Continental & Commercial National Bank, Chicago, Ill.
 Harris, Winthrop & Co., Chicago, Ill.
 Central Trust Co. of Illinois, Chicago, Ill.
 People's Trust & Savings Bank, Chicago, Ill.
 Ames, Emerich & Co., Chicago, Ill.
 Babcock, Rushton & Co., Chicago, Ill.
 Yard, Otis & Taylor, Chicago, Ill.
 Hayden, Miller & Co., Cleveland, Ohio.
 A. G. Edwards & Sons, St. Louis, Mo.
 St. Louis Union Trust Co., St. Louis, Mo.
 D. Arthur Bowman & Co., St. Louis, Mo.
 And seven others in other cities.

INDIANA STEEL CO.

First mortgage 5 per cent bonds, due May 1, 1952.

April, 1912.

Lee, Higginson & Co., jointly with Kissel, Kinnicutt & Co., of New York, took a participation of \$5,000,000 underwriting through J. P. Morgan & Co., the First National Bank of New York, and National City Bank of New York.

Lee, Higginson & Co. sold \$1,580,000 bonds.

Clark, Dodge & Co. participated, through Lee, Higginson, & Co., in the underwriting and sale of these bonds.

INTERNATIONAL HARVESTER CO.

Five per cent notes, due February 15, 1915.

January, 1912.

Lee, Higginson & Co. took a participation of \$500,000 underwriting through J. P. Morgan & Co.

Lee, Higginson & Co. sold \$500,000 notes.

IROQUOIS IRON CO.

First mortgage 5 per cent gold bonds, dated December 1, 1909, and due December 1, 1912, to December 1, 1929.

November, 1909.

\$2,300,000 bought by Lee, Higginson & Co.

Ten banks and bankers participated through Lee, Higginson & Co. in the underwriting and sale of these bonds, as follows:

Estabrook & Co., Boston, Mass.
 James A. Hutchinson, Boston, Mass.
 Chicago Savings Bank & Trust Co., Chicago, Ill.
 Illinois Trust & Savings Bank, Chicago, Ill.
 A. G. Edwards & Co., St. Louis, Mo.
 And five others in other cities.

JONES & LAUGHLIN STEEL CO.

First mortgage 5 per cent gold bonds, due May 1, 1939.
 June, 1911.

Lee, Higginson & Co. took a participation of \$100,000 underwriting through the First Trust & Savings Bank, Chicago.

Lee, Higginson & Co. sold \$100,000 bonds.

KANAWHA & MICHIGAN RAILWAY CO.

Second mortgage 5 per cent bonds, due July 1, 1927.
 November, 1909.

\$2,500,000 bought by Moffat & White and Lee, Higginson & Co., jointly.

The Illinois Trust & Savings Bank, Chicago, Ill., participated through Lee, Higginson & Co. in the underwriting and sale of these bonds and one other banker in another city.

KANSAS CITY TERMINAL RAILWAY CO.

Four and one-half per cent notes due February 16, 1910 (extended to March 4, 1910).

September, 1909.

Lee, Higginson & Co. bought of the Kansas City Terminal Railway Co. \$1,000,000 notes.

Five per cent notes, due February 16, 1910 (extended to March 4, 1910).

November, 1909.

Lee, Higginson & Co. bought of the Kansas City Terminal Railway Co. \$1,000,000.

First mortgage 4 per cent bonds, due January 1, 1960.

February, 1910.

\$12,500,000 bought by Lee, Higginson & Co., who ceded to J. P. Morgan & Co. and the Illinois Trust & Savings Bank one-third each.

The following bankers participated through Lee, Higginson & Co. in the underwriting and sale of these bonds:

Old Colony Trust Co., Boston, Mass.

And two other bankers in other cities.

First mortgage 4 per cent bonds, due January 1, 1960.

November, 1910.

\$7,500,000 bought by Lee, Higginson & Co., who ceded to J. P. Morgan & Co. and the Illinois Trust & Savings Bank one-third each.

Seven bankers in other cities than those specified in the inquiry participated through Lee, Higginson & Co. in the underwriting and sale of these bonds.

Four per cent notes, due December 31, 1912.

June, 1912.

Lee, Higginson & Co. bought \$1,000,000 through the Illinois Trust & Savings Bank of Chicago.

J. P. Morgan & Co. participated through Lee, Higginson & Co. in this loan.

Four and one-half per cent notes, due December 31, 1912.

June, 1912.

Lee, Higginson & Co. bought \$400,000 notes through the Illinois Trust & Savings Bank.

J. P. Morgan & Co. participated through Lee, Higginson & Co. in this loan.

KANSAS CITY VIADUCT & TERMINAL RAILWAY CO.

Four and one-half per cent bonds, due September 1, 1934.

May, 1907.

Lee, Higginson & Co. took a participation of \$9,000 through Fisk & Robinson.

LOUISVILLE & NASHVILLE RAILROAD CO.

Unified mortgage 4 per cent bonds, due July 1, 1940.
April, 1909.

A syndicate composed of Lee, Higginson & Co., Moffat & White, and Kissel, Kinnicutt & Co. bought \$2,000,000 bonds through J. P. Morgan & Co.

LOWELL MACHINE SHOP.

Six per cent cumulative preferred shares.
January, 1912.

\$1,250,000 bought by Lee, Higginson & Co.

MAHONING & SHENANGO RAILWAY & LIGHT CO.

First consolidated refunding 5 per cent bonds, due January 1, 1916.
December, 1909.

Lee, Higginson & Co. took a participation of \$1,500,000 underwriting through Blair & Co.

Lee, Higginson & Co. sold \$2,276,000 bonds.

Twenty-one banks and bankers participated through Lee, Higginson & Co. in the underwriting and sale of these bonds, as follows:

H. F. Bachman & Co., Philadelphia, Pa.

Graham & Co., Philadelphia, Pa.

George Willing, jr. & Co., Philadelphia, Pa.

Illinois Trust & Savings Bank, Chicago, Ill.

American Trust & Savings Bank, Chicago, Ill.

National City Bank, Chicago, Ill.

James A. Hutchinson, Boston, Mass.

George C. Scott, Boston, Mass.

And 13 other bankers in other cities.

First consolidated refunding 5 per cent bonds, due January 1, 1916.
January, 1911.

\$504,000 bought by Lee, Higginson & Co.

Five bankers participated through Lee, Higginson & Co. in the underwriting and sale of these bonds, as follows:

James A. Hutchinson, Boston, Mass.

F. M. Jeffrey, New York, N. Y.

Graham & Co., Philadelphia, Pa.

And two others in other cities.

MAINE CENTRAL RAILROAD CO.

Four and one-half per cent coupon notes, dated April 1, 1910, and due April 1, 1912.

March, 1910.

\$5,000,000 bought by Lee, Higginson & Co.

Eight bankers participated through Lee, Higginson & Co. in the underwriting and sale of these notes, as follows:

Estabrook & Co., Boston, Mass.

R. L. Day & Co., Boston, Mass.

Bond & Goodwin, Boston, Mass.

F. S. Moseley & Co., Boston, Mass.

Curtis & Sanger, Boston, Mass.

James A. Hutchinson, Boston, Mass.

J. P. Morgan & Co., New York, N. Y.

And a banker in another city.

1 year 4 per cent notes, due March 15, 1913.

February, 1912.

Lee, Higginson & Co. bought through J. P. Morgan & Co., \$3,700,000 notes.

W. H. M'ELWAIN CO.

Six per cent cumulative first preferred stock.

February, 1911.

\$2,200,000 par value bought by Lee, Higginson & Co.

Six bankers participated through Lee, Higginson & Co. in the underwriting and sale of these shares, as follows:

Parkinson & Burr, Boston, Mass.
 F. S. Moseley & Co., Boston, Mass.
 Millet, Roe & Hagen, Boston, Mass.
 Hornblower & Weeks, Boston, Mass.
 And two other bankers in other cities.

METROPOLITAN STREET RAILWAY CO., KANSAS CITY.

First lien refunding mortgage 5 per cent bonds, due May 1, 1913.
 February, 1911.

\$1,400,000 bought by Lee, Higginson & Co.

The following bankers participated through Lee, Higginson & Co. in the underwriting and sale of these bonds:

J. P. Morgan & Co., New York, N. Y.
 Graham & Co., Philadelphia, Pa.

MICHIGAN CENTRAL RAILROAD CO.

Joliet & Northern Indiana Division first mortgage 4 per cent gold bonds, due July 10, 1957.

April, 1907.

Lee, Higginson & Co. took a participation of \$500,000 underwriting through Clark, Dodge & Co. and Moffat & White.

Lee, Higginson & Co. sold \$313,000 bonds.

MILWAUKEE, SPARTA & NORTHWESTERN RAILWAY CO.

First mortgage 4 per cent bonds, due March 1, 1947.

February, 1912.

Lee, Higginson & Co. took a participation of \$100,000 underwriting through Kuhn, Loeb & Co.

MINNEAPOLIS, ST. PAUL & SAULT STE. MARIE RAILWAY CO.

Consolidated mortgage 4 per cent bonds, due July 1, 1938.

November, 1908.

Lee, Higginson & Co. took a participation of \$50,000 underwriting through Clark, Dodge & Co.

Lee, Higginson & Co. sold \$25,000 bonds.

MISSOURI, KANSAS & TEXAS RAILWAY CO.

General mortgage 4½ per cent bonds, due 1936.

January, 1906.

Lee, Higginson & Co. took a participation of \$100,000 underwriting through Speyer & Co.

MISSOURI PACIFIC RAILWAY CO.

Convertible 5 per cent bonds, due September 1, 1959.

November, 1909.

Lee, Higginson & Co. took a participation of \$100,000 underwriting through Kuhn, Loeb & Co.

NATIONAL TUBE CO.

First mortgage 5 per cent bonds, due May 1, 1952.

April, 1912.

Lee, Higginson & Co. and Kissel, Kinnicutt & Co., jointly, took a participation of \$3,000,000 underwriting through J. P. Morgan & Co., First National Bank, New York, and the National City Bank, New York.

Lee, Higginson & Co. sold \$1,363,500 bonds.

Clark, Dodge & Co. participated through Lee, Higginson & Co. in the underwriting and sale of these bonds.

NEW ENGLAND TELEPHONE & TELEGRAPH CO.

Five per cent bonds, due October 1, 1932.
 October, 1912.
 Lee, Higginson & Co. took a participation of \$250,000 underwriting through Kidder, Peabody & Co.
 Lee, Higginson & Co. sold \$1,183,000 bonds.

NEW YORK CENTRAL & HUDSON RIVER RAILROAD CO.

Four per cent debenture bonds, due May, 1934.
 June, 1908.
 Lee, Higginson & Co. took a participation of \$1,000,000 underwriting through J. P. Morgan & Co.
 Lee, Higginson & Co. sold \$1,465,000 bonds.
 Thirteen banks and bankers participated through Lee, Higginson & Co. in the underwriting and sale of these bonds, as follows:
 Lewisoohn Bros., New York, N. Y.
 National Copper Bank, New York, N. Y.
 A. G. Edwards & Sons, St. Louis, Mo.
 First Trust & Savings Bank, Chicago, Ill.
 And nine other banks and bankers in other cities.
 Boston & Albany equipment trust 4½ per cent bonds, dated October 1, 1912, due October 1, 1913-1927, inclusive.
 October, 1912.
 \$5,220,000 bonds bought by Kissel, Kinnicut & Co. and Lee, Higginson & Co., jointly.

NEW YORK, CHICAGO & ST. LOUIS RAILROAD CO.

Debenture 4 per cent bonds, due May, 1931.
 July, 1908.
 \$1,549,000 bonds bought by a syndicate composed of—
 Lee, Higginson & Co., Boston, Mass.
 Moffat & White, New York, N. Y.
 Clark, Dodge & Co., New York, N. Y.
 Henry & West, Philadelphia, Pa.
 Montgomery, Clothier & Tyler, Philadelphia, Pa.
 Debenture 4 per cent bonds, due May 1, 1931.
 January, 1909.
 \$3,942,000 bonds bought by a syndicate as follows:
 Lee, Higginson & Co., Boston, Mass.
 Moffat & White, New York, N. Y.
 Clark, Dodge & Co., New York, N. Y.
 N. W. Harris & Co., New York, N. Y.
 The following participated through Lee, Higginson & Co. in the underwriting and sale of these bonds:
 Illinois Trust & Savings Bank, Ill., and one foreign banker.

NEW YORK, NEW HAVEN & HARTFORD RAILROAD CO.

Harlem & Port Chester Division 4 per cent bonds, due May 1, 1954.
 March, 1906.
 \$1,000,000 bonds bought by Lee, Higginson & Co. and Mackay & Co. jointly.
 Five per cent coupon notes, due December 31, 1908.
 January, 1907.
 Lee, Higginson & Co. took a participation of \$95,000 underwriting through Hornblower & Weeks.
 Lee, Higginson & Co. sold \$25,000 notes.
 Five per cent coupon notes, due January 9, 1910, January 9, 1912.
 January, 1907.
 Lee, Higginson & Co., Hornblower & Weeks (Boston), and the First National Bank of Boston bought of the New York, New Haven & Hartford Railroad Co., \$7,000,000 notes.
 Harlem River & Port Chester first 4's, 1954.
 Pawtuxet Valley first 4's, 1925.
 Boston & New York Air Line first 4's, 1955.
 New Haven & Northampton 4's, 1956.

New York, New Haven & Hartford Railroad Co. 3-year 4½ per cent notes.
May, 1908.
Lee, Higginson & Co. took a participation of \$750,000 in the syndicate concerned with the above securities through Kidder, Peabody & Co.
Four and one-half per cent notes, due February 1, 1912.
January, 1911.
Lee, Higginson & Co. bought of the New York, New Haven & Hartford Railroad Co., with J. P. Morgan & Co., \$10,000,000 notes.
F. S. Moseley & Co. and Bond & Goodwin participated through Lee, Higginson & Co. in the underwriting and sale of these notes.
Four and one-half per cent notes, due March 1, 1912.
January, 1911.
Lee, Higginson & Co. took a participation of \$500,000, underwriting through F. S. Moseley & Co.
One-year 4 per cent notes, due January 15, 1913.
January, 1912.
Lee, Higginson & Co. bought \$10,000,000 notes through J. P. Morgan & Co.
One-year 5 per cent notes, due December 1, 1913.
November, 1912.
Lee, Higginson & Co., bought through J. P. Morgan & Co., \$7,500,000 notes.

NEW YORK TANNING EXTRACT CO.

Six per cent gold bonds, due January 1, 1927.
June, 1911.
\$1,500,000 bought by Lee, Higginson & Co.

NEW YORK TELEPHONE CO.

First and general mortgage 4½ per cent bonds, due November 1, 1939.
March, 1910.
Lee, Higginson & Co. took a participation of \$100,000 underwriting through Kidder, Peabody & Co.
Lee, Higginson & Co. sold \$167,000 bonds.

NEW YORK, WESTCHESTER & BOSTON RAILWAY CO.

First mortgage 4½ per cent bonds, due July 1, 1946.
July, 1911.
Lee, Higginson & Co. took a participation of \$1,000,000 underwriting through Kissel, Kinnicutt & Co. and Harris, Forbes & Co.
Lee, Higginson & Co. sold \$500,000 bonds.

NIPE BAY CO.

Six per cent first mortgage convertible notes, due June 1, 1909.
June, 1906.
\$2,750,000 bought by Lee, Higginson & Co.
Eighteen banks and bankers participated through Lee, Higginson & Co. in the underwriting and sale of these bonds, as follows:
Hornblower & Weeks, Boston, Mass.
F. S. Moseley & Co., Boston, Mass.
First National Bank, Boston, Mass.
City Trust Co., Boston, Mass.
Mercantile Trust Co., Boston, Mass.
Old Colony Trust Co., Boston, Mass.
Parkinson & Burr, Boston, Mass.
Edgerly & Crocker, Boston, Mass.
And 10 other banks and bankers in other cities.
First mortgage 6 per cent notes, due June 1, 1914.
January, 1909.
Lee, Higginson & Co. bought of the Nipe Bay Co. \$3,500,000 notes.
Debenture 6 per cent bonds, due June 1, 1917.
May, 1911.
\$920,000 bought by Lee, Higginson & Co.

NORCROSS BROS. CO.

Six per cent collateral trust bonds, due October 1, 1918.

August, 1908.

Lee, Higginson & Co. bought of Norcross Bros. Co. \$400,000 bonds.

NORFOLK & WESTERN RAILWAY CO.

Car-trust certificates, series D, E, and F.

January, 1906.

Lee, Higginson & Co. took a participation of \$100,000 underwriting through Brown Bros. & Co., Philadelphia.

Five per cent secured notes, due May 1, 1910.

April, 1908.

Lee, Higginson & Co. took a participation of \$400,000 underwriting through the Guaranty Trust Co., of New York.

Divisional first lien and general mortgage 4 per cent bonds, due July, 1, 1944.

January, 1909.

Lee, Higginson & Co. took a participation of \$100,000 underwriting through the Guaranty Trust Co., of New York.

OREGON-WASHINGTON RAILROAD AND NAVIGATION CO.

First and refunding mortgage 4 per cent bonds, due January, 1961.

May, 1911.

Lee, Higginson & Co. took a participation of \$200,000 through Kuhn, Loeb & Co. and Baring Brothers & Co. (Ltd.)

PACIFIC TELEPHONE & TELEGRAPH CO.

First mortgage and collateral trust 5 per cent bonds, due January 2, 1937.

March, 1909.

Lee, Higginson & Co. took a participation of \$100,000 underwriting through Kidder, Peabody & Co.

Lee, Higginson & Co. sold \$257,000 bonds.

First mortgage collateral trust 5 per cent bonds, due January 2, 1937.

March, 1910.

Lee, Higginson & Co. took a participation of \$100,000 underwriting through Bond & Goodwin.

Two-year 5 per cent notes, due January 5, 1913.

January, 1911.

Lee, Higginson & Co. took a participation of \$250,000 underwriting through Bond & Goodwin.

Lee, Higginson & Co. sold \$350,000 notes.

PENNSYLVANIA CO.

Four per cent bonds, due April 1, 1931.

January, 1906.

Lee, Higginson & Co. took a participation of \$150,000 underwriting through Kuhn, Loeb & Co.

Lee, Higginson & Co. sold \$69,000 bonds.

PORTLAND RAILWAY, LIGHT & POWER CO.

First and refunding 5 per cent bonds, due February 1, 1942.

February, 1912.

\$16,000,000 bonds bought by Lee, Higginson & Co. and Drexel & Co., for themselves and E. W. Clark & Co., of Philadelphia, and J. & W. Seligman & Co., of New York.

Forty-three banks and bankers participated, through Lee, Higginson & Co., in the sale and underwriting of these bonds, as follows:

Redmond & Co., New York, N. Y.

Estabrook & Co., Boston, Mass.

Blodget & Co., Boston, Mass.

Parkinson & Burr, Boston, Mass.

Bond & Goodwin, Boston, Mass.

Forty-three banks and bankers participated, through Lee, Higginson & Co. in the sale and underwriting of these bonds, as follows—Continued.

Merrill, Oldham & Co., Boston, Mass.
 James A. Hutchinson, Boston, Mass.
 Edmunds Bros., Boston, Mass.
 Clark, Dodge & Co., New York, N. Y.
 Dick Bros. & Co., New York, N. Y.
 Kean, Taylor & Co., New York, N. Y.
 Thompson, Singleton & Co., New York, N. Y.
 Van Antwerp, Bishop & Co., New York, N. Y.
 Equitable Trust Co., New York, N. Y.
 Walker Bros., New York, N. Y.
 Mills, Chapman & Co., Chicago, Ill.
 Ames, Emerich & Co., Chicago, Ill.
 National City Bank, Chicago, Ill.
 Chicago Savings Bank & Trust Co., Chicago, Ill.
 State Bank of Chicago, Chicago, Ill.
 People's Trust & Savings Bank, Chicago, Ill.
 Hayden, Miller & Co., Cleveland, Ohio.
 Field, Longstreth & Co., Chicago, Ill.
 Union Savings Bank & Trust Co., Chicago, Ill.
 D. Arthur Bowman & Co., St. Louis, Mo.
 Edwin White & Co., Chicago, Ill.
 Security Trust Co., Chicago, Ill.
 Fidelity Trust Co., Chicago, Ill.
 Strandberg, McGreevy & Co., Chicago, Ill.
 And 14 other banks and bankers in other cities.

PORTLAND & OGDENSBURG RAILROAD CO.

First mortgage $4\frac{1}{2}$ per cent bonds, due November 1, 1928.
 April, 1908.

Lee, Higginson & Co. bought \$2,119,000 bonds.

Six bankers participated through Lee, Higginson & Co. in the underwriting and sale of the bonds, as follows:

Blodgett, Merritt & Co., Boston, Mass.
 R. L. Day & Co., Boston, Mass.
 Estabrook & Co., Boston, Mass.
 Kidder, Peabody & Co., Boston, Mass.
 Merrill, Oldham & Co., Boston, Mass.
 Parkinson & Burr, Boston, Mass.

REED-PRENTICE CO.

Seven per cent preferred stock and common stock.
 April, 1912.

Lee, Higginson & Co. bought of the Reed-Prentice Co. 12,500 shares of preferred, 2,246 shares of common.

RICHMOND-WASHINGTON CO.

Guaranteed collateral trust mortgage 4 per cent bonds, due June 1, 1943.
 April, 1907.

\$1,000,000 bonds bought by Lee, Higginson & Co.

The following bankers participated through Lee, Higginson & Co. in the underwriting and sale of these bonds:

Henry & West, Philadelphia, Pa.
 Redmond & Co., New York, N. Y.
 And two foreign bankers.

Guaranteed collateral trust mortgage 4 per cent bonds, due June 1, 1943.

November, 1912, \$500,000 bought by Lee, Higginson & Co.

Graham & Co., Philadelphia, participated through Lee, Higginson & Co. in the underwriting and sale of these bonds.

ST. LOUIS & SAN FRANCISCO RAILROAD CO.

First and refunding 4's, due July 1, 1951.
 August, 1906.

Lee, Higginson & Co. took a participation of \$100,000 underwriting, through Redmond & Co.

Two-year 5 per cent notes, due 1913.

May, 1911.

Lee, Higginson & Co. took a participation of \$100,000 underwriting through F. S. Moseley & Co.

SOUTHERN PACIFIC CO.

Convertible 4 per cent gold bonds, due June 1, 1929.

February, 1909.

Lee, Higginson & Co. took a participation of \$150,000 underwriting through Kuhn, Loeb & Co.

SOUTHERN RAILWAY CO.

Equipment trust 4½ per cent bonds, series L, due each six months, August 1, 1908, to August, 1921.

December, 1905.

Lee, Higginson & Co. took a participation of \$1,000,000 underwriting through Drexel & Co.

Lee, Higginson & Co. sold \$211,000 bonds.

Six per cent convertible gold notes, due May 1, 1911.

May, 1908.

Lee, Higginson & Co. took a participation of \$500,000 underwriting through J. P. Morgan & Co.

Development and general mortgage 4 per cent bonds, series A, due April 1, 1956.

February, 1909.

Lee, Higginson & Co. took a participation of \$500,000 underwriting through J. P. Morgan & Co.

TERMINAL RAILROAD ASSOCIATION OF ST. LOUIS.

General mortgage refunding 4 per cent bonds, due January 1, 1953.

May, 1908.

Lee, Higginson & Co. took a participation of \$500,000 through Moffatt & White.

TERRE HAUTE, INDIANAPOLIS & EASTERN TRACTION CO.

First refunding 5 per cent bonds, due April 1, 1945.

April, 1910, to May, 1911.

\$6,500,000 bonds bought by a syndicate composed of Lee, Higginson & Co., Estabrook & Co., and Drexel & Co.

THE TEXAS CO.

Common stock.

May, 1910.

Lee, Higginson & Co. subscribed for \$40,000 par value of the stock.

UNION BAG & PAPER CO.

First mortgage 5 per cent bonds, due July 1, 1930.

April, 1909.

\$800,000 bonds were bought by Lee, Higginson & Co. and the National City Bank, jointly.

A foreign banker participated in the underwriting taken by Lee, Higginson & Co.

First mortgage 5 per cent bonds, due July 1, 1930.

March, 1912.

\$750,000 bonds bought by the National City Bank of New York and Lee, Higginson & Co.

Twenty-one banks and bankers participated, through Lee, Higginson & Co., in the underwriting and sale of these bonds, as follows:

Blodget & Co., Boston, Mass.

A. B. Leach & Co., Boston, Mass.

George C. Scott, Boston, Mass.

Twenty-one banks and bankers participated, through Lee, Higginson & Co., in the underwriting and sale of these bonds, as follows—Continued.

Hornblower & Weeks, New York, N. Y.
 Stevens, Chapman & Co., Chicago, Ill.
 Guardian Savings Bank & Trust Co., Chicago, Ill.
 Chicago Savings Bank & Trust Co., Chicago, Ill.
 William R. Compton Co., Chicago, Ill.
 Hornblower & Weeks, Chicago, Ill.
 Ames, Emerich & Co., Chicago, Ill.
 And 11 others in other cities.

UNION STEEL CO.

First mortgage and collateral trust 5 per cent bonds, due December 1, 1952.
 March, 1909.

Lee, Higginson & Co. took a participation of \$50,000 underwriting through the Guaranty Trust Co., of New York.

Lee, Higginson & Co. sold \$1,000 bond.

UNITED FRUIT CO.

Debenture 4½ per cent bonds, due July 1, 1923.
 November, 1908.

\$4,250,000 bonds bought of the company by Lee, Higginson & Co.

Twenty-six banks and bankers participated, through Lee, Higginson & Co., in the underwriting and sale of these bonds, as follows:

Blodget, Merritt & Co., Boston, Mass.
 Brown Bros. & Co., Boston, Mass.
 Clark, Dodge & Co., New York, N. Y.
 Curtis & Sanger, Boston, Mass.
 Edgerley & Crocker, Boston, Mass.
 Estabrook & Co., Boston, Mass.
 Guaranty Trust Co. of New York, New York, N. Y.
 Henry & West, Philadelphia, Pa.
 Hornblower & Weeks, Boston, Mass.
 Jackson & Curtis, Boston, Mass.
 Kidder, Peabody & Co., Boston, Mass.
 Moffat & White, New York, N. Y.
 J. P. Morgan & Co., New York, N. Y.
 F. S. Moseley & Co., Boston, Mass.
 National City Bank, New York, N. Y.
 Parkinson & Burr, Boston, Mass.
 Perry, Coffin & Burr, Boston, Mass.
 Townsend, Anthony & Tyson, Boston, Mass.
 Illinois Trust & Savings Bank, Chicago, Ill.
 American Trust & Savings Bank, Chicago, Ill.
 Chicago Savings Bank & Trust Co., Chicago, Ill.
 And five others in other places.

Four and one-half per cent sinking fund bonds, due July 1, 1925.
 December, 1910.

\$1,500,000 bonds bought by Lee, Higginson & Co.

The following bankers participated, through Lee, Higginson & Co., in the underwriting and sale of these bonds:

Edgerly & Crocker, Boston, Mass.
 Estabrook & Co., Boston, Mass.
 F. S. Moseley & Co., Boston, Mass.
 Parkinson & Burr, Boston, Mass.

And one foreign banker.

Four and one-half per cent sinking fund bonds, due July 1, 1925.
 June, 1911.

\$2,500,000 bought by Lee, Higginson & Co.

Thirteen banks and bankers participated through Lee, Higginson & Co., in the underwriting and sale of the bonds, as follows:

Illinois Trust & Savings Bank, Chicago, Ill.
 Graham & Co., Philadelphia, Pa.
 Clarke, Dodge & Co., New York, N. Y.
 Old Colony Trust Co., Boston, Mass.

Thirteen banks and bankers participated through Lee, Higginson & Co., in the underwriting and sale of these bonds, as follows—Continued.

Parkinson & Burr, Boston, Mass.
 Estabrook & Co., Boston, Mass.
 F. S. Moseley & Co., Boston, Mass.
 Edgerly & Crocker, Boston, Mass.
 And five others in other places.

UNITED STATES SMELTING, REFINING & MINING CO.

Common and preferred shares (par \$50).

October, 1906.

Fifty thousand and sixty-eight shares of preferred and fifty thousand and sixty-eight shares of common stock, underwritten by Lee, Higginson & Co.

The following bankers participated, through Lee, Higginson & Co., in this underwriting:

Hayden, Stone & Co., Boston, Mass.
 Francis Henshaw & Co., Boston, Mass.
 Hornblower & Weeks, Boston, Mass.
 Jackson & Curtis, Boston, Mass.
 Kidder, Peabody & Co., Boston, Mass.
 Mackay & Co., Boston, Mass.
 F. S. Moseley & Co., Boston, Mass.
 Parkinson & Burr, Boston, Mass.
 Strong, Sturgis & Co., New York, N. Y.
 Tucker, Hayes & Co., Boston, Mass.
 L. Vogelstein & Co., New York, N. Y.
 And five foreign bankers.

Three-year 5 per cent notes, due August 1, 1914.

August, 1911.

\$4,000,000 notes bought by Lee, Higginson & Co.

Seventeen banks and bankers participated, through Lee, Higginson & Co., in the underwriting and sale of these notes, as follows:

Hayden, Stone & Co., Boston, Mass.
 Hornblower & Weeks, Boston, Mass.
 Parkinson & Burr, Boston, Mass.
 Estabrook & Co., Boston, Mass.
 Jackson & Curtis, Boston, Mass.
 F. S. Moseley & Co., Boston, Mass.
 First National Bank of Boston, Boston, Mass.
 Curtis & Sanger, Boston, Mass.
 Dick Bros., New York, N. Y.
 Hanover National Bank, New York, N. Y.
 Guaranty Trust Co., New York, N. Y.
 Illinois Trust & Savings Bank, Chicago, Ill.
 First Trust & Savings Bank, Chicago, Ill.
 St. Louis Union Trust Co., St. Louis, Mo.
 Union Savings Bank & Trust Co., Chicago, Ill.
 And two others in other cities.

VIRGINIAN RAILWAY CO.

First mortgage 5 per cent bonds, due May 1, 1962.

March, 1912.

\$25,000,000 bonds bought by Kissel, Kinnicutt & Co. and Lee, Higginson & Co.

Eighty-four banks and bankers participated in the underwriting and sale of these bonds, as follows:

National City Bank, New York, N. Y.
 Blake Bros. & Co., Boston, Mass.
 Blodget & Co., Boston, Mass.
 Curtis & Sanger, Boston, Mass.
 Estabrook & Co., Boston, Mass.
 Hunt, Saltonstall & Co., Boston, Mass.
 Jackson & Curtis, Boston, Mass.
 Adams & Co., Boston, Mass.
 Old Colony Trust Co., Boston, Mass.

Eighty-four banks and bankers participated in the underwriting and sale of these bonds, as follows—Continued.

Bankers' Trust Co., New York, N. Y.
 Chase National Bank, New York, N. Y.
 Coggeshall & Hicks, New York, N. Y.
 James B. Colgate & Co., New York, N. Y.
 Craig & Jenks, New York, N. Y.
 Dick Bros. & Co., New York, N. Y.
 Dominick & Dominick, New York, N. Y.
 Federal Utilities Co., New York, N. Y.
 Guaranty Trust Co., New York, N. Y.
 N. W. Halsey & Co., New York, N. Y.
 Hornblower & Weeks, New York, N. Y.
 Josephthal, Loucheim & Co., New York, N. Y.
 Markol, Morgan & Whitney, New York, N. Y.
 McCurdy, Henderson & Co., New York, N. Y.
 Millett, Roe & Hagen, New York, N. Y.
 Pyne, Kendall & Hollister, New York, N. Y.
 J. & W. Seligman & Co., New York, N. Y.
 F. S. Smithers & Co., New York, N. Y.
 Thompson, Towle & Co., New York, N. Y.
 Van Antwerp, Bishop & Co., New York, N. Y.
 White & Co., New York, N. Y.
 H. N. Whitney & Co., New York, N. Y.
 Cassatt & Co., Philadelphia, Pa.
 E. W. Clark & Co., Philadelphia, Pa.
 Dick Bros., Philadelphia, Pa.
 Drexel & Co., Philadelphia, Pa.
 William R. Compton Co., St. Louis, Mo.
 Francis Bros. & Co., St. Louis, Mo.
 King, Farnum & Co., Chicago, Ill.
 St. Louis Union Trust Co., St. Louis, Mo.
 G. H. Walker & Co., St. Louis, Mo.
 D. Arthur Bowman & Co., St. Louis, Mo.
 Babcock, Rushton & Co., Chicago, Ill.
 Chapman, Mills & Co., Chicago, Ill.
 Continental & Commercial Trust & Savings Bank, Chicago, Ill.
 A. G. Edwards & Sons, St. Louis, Mo.
 Guardian Savings & Trust Co., Cleveland, Ohio.
 Hayden, Miller & Co., Cleveland, Ohio.
 Hornblower & Weeks, Chicago, Ill.
 Northern Trust Co., Chicago, Ill.
 Union Trust Co., Chicago, Ill.
 And 34 other banks and bankers in other cities.

WABASH RAILROAD CO.

Buffalo Terminal Association.

First-mortgage coupon notes 6 per cent, due June 29, 1907.

June, 1906.

Lee, Higginson & Co. bought of the Wabash Railroad Co. \$835,000 notes.

Equipment trust 4½ per cent bonds, "Series C", dated July 1, 1906, due July 1, 1907, to July 1, 1916, inclusive.

June, 1906.

\$6,180,000 bonds bought by Lee, Higginson & Co.

Twenty-one banks and bankers participated through Lee, Higginson & Co. in the underwriting and sale of these bonds, as follows:

Brown Bros. & Co., Boston, Mass.
 Clark, Dodge & Co., New York, N. Y.
 Curtis & Sanger, Boston, Mass.
 Drexel & Co., Philadelphia, Pa.
 A. G. Edwards & Sons, St. Louis, Mo.
 N. W. Halsey & Co., New York, N. Y.
 Henry & West, Philadelphia, Pa.
 Hornblower & Weeks, Boston, Mass.
 Jackson & Curtis, Boston, Mass.
 S. D. Loring & Son, Boston, Mass.

Twenty-one banks and bankers participated through Lee, Higginson & Co., in the underwriting and sale of these bonds, as follows—Continued.

Merchants Loan & Trust Co., Chicago, Ill.

Parkinson & Burr, Boston, Mass.

Redmond & Co., New York, N. Y.

J. & W. Seligman & Co., New York, N. Y.

And seven other banks and bankers in other cities.

One-year collateral trust gold notes, due June 29, 1909.

June, 1908.

\$350,000 notes bought by Lee, Higginson & Co.

WESTERN ELECTRIC CO.

Collateral trust $4\frac{1}{2}$ per cent notes, due January 1, 1912.

December, 1909.

\$5,000,000 notes bought by Lee, Higginson & Co.

First-mortgage 5 per cent bonds, due December 31, 1922.

January, 1910.

\$8,750,000 bonds bought by Lee, Higginson & Co.

Thirty banks and bankers participated, through Lee, Higginson & Co., in the underwriting and sale of these bonds, as follows:

Bond & Goodwin, Boston, Mass.

Brown Bros. & Co., Boston, Mass.

Estabrook & Co., Boston, Mass.

Curtis & Sanger, Boston, Mass.

James A. Hutchinson, Boston, Mass.

Kidder, Peabody & Co., Boston, Mass.

F. S. Moseley & Co., Boston, Mass.

Parkinson & Burr, Boston, Mass.

Graham & Co., Philadelphia, Pa.

Manhattan Trust Co., New York, N. Y.

A. G. Edwards & Sons, St. Louis, Mo.

First Trust & Savings Bank, Chicago, Ill.

Illinois Trust & Savings Bank, Chicago, Ill.

Merchants Loan & Trust Co., Chicago, Ill.

National City Bank, Chicago, Ill.

And fifteen others in other cities.

First-mortgage 5 per cent bonds, due December 31, 1922.

November, 1910.

\$6,250,000 bonds bought by Lee, Higginson & Co.

Twenty banks and bankers participated, through Lee, Higginson & Co., in the underwriting and sale of these bonds, as follows:

Parkinson & Burr, Boston, Mass.

Estabrook & Co., Boston, Mass.

F. S. Moseley & Co., Boston, Mass.

Curtis & Sanger, Boston, Mass.

Brown Bros., Boston, Mass.

Bond & Goodwin, Boston, Mass.

James A. Hutchinson, Boston, Mass.

J. P. Morgan & Co., New York, N. Y.

Graham & Co., Philadelphia, Pa.

Manhattan Trust Co., New York, N. Y.

Bank of Montreal (agency), New York, N. Y.

Illinois Trust & Savings Bank, Chicago, Ill.

First Trust & Savings Bank, Chicago, Ill.

Merchants Loan & Trust Co., Chicago, Ill.

And six others in other places.

WESTERN PACIFIC CO.

First mortgage 5 per cent bonds, due September 1, 1933.

April, 1905, to May, 1909.

Lee, Higginson & Co. took a participation of \$300,000 underwriting through Blair & Co., William Salomon & Co., and William A. Read & Co.

WESTERN TELEPHONE & TELEGRAPH CO.

Five per cent notes, due December 15, 1911.

January, 1911.

Lee, Higginson & Co. took a participation of \$200,000 underwriting through F. S. Moseley & Co.

EXHIBIT No. 217, JANUARY 22, 1913.

ROPES, GRAY & GORHAM,
Boston, January 3, 1913.

SAMUEL UNTERMYER, Esq.,

37 Wall Street, New York City, N. Y.

MY DEAR MR. UNTERMYER: You asked me for certain participations in underwritings referred to in data which I handed you on Wednesday last. The following are the figures which you desired:

American Agricultural Chemical Co. 20-year first mortgage 5 per cent convertible bonds, dated Oct. 1, 1908:

September and October, 1908—

Chase National Bank	\$250,000
National City Bank	250,000
J. P. Morgan & Co.	250,000
Chicago Savings Bank & Trust Co.	45,000

January, 1911—

J. P. Morgan & Co.	150,000
National City Bank	125,000
Chase National Bank	100,000
Northern Trust Co., Chicago	25,000
Continental & Commercial National Bank, Chicago	25,000
First Trust & Savings Bank, Chicago	25,000

American Agricultural Chemical Co. 6 per cent cumulative preferred stock:

April, 1912—

National City Bank	100,000
Kuhn, Loeb & Co.	100,000

Cudahy Packing Co. first mortgage 5 per cent bonds, due May 1, 1924:

April, 1909—

National City Bank	200,000
J. P. Morgan & Co.	100,000
Illinois Trust & Savings Bank	50,000

Illinois Steel Co. debenture 4½ per cent bonds, due Apr. 1, 1940:

July, 1911—

St. Louis Union Trust Co., St. Louis	25,000
Illinois Trust & Savings Bank, Chicago	100,000
Chicago Savings Bank & Trust Co., Chicago	25,000
Continental & Commercial Trust & Savings Bank, Chicago	50,000

April, 1912—

White, Weld & Co., New York	125,000
Kidder, Peabody & Co., Boston	50,000
Continental & Commercial National Bank, Chicago	100,000

Maine Central Railroad Co. 4½ per cent coupon notes, dated Apr. 1, 1910:

March, 1910—

J. P. Morgan & Co.	2,000,000
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Metropolitan Street Railway Co., Kansas City, first lien refunding mortgage 5 per cent bonds:

February, 1911—

J. P. Morgan & Co.	640,000
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Portland Railway, Light & Power Co., first and refunding 5 per cent bonds:

February, 1912—

Chicago Savings Bank & Trust Co., Chicago	10,000
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Virginian Railway Co. first mortgage 5 per cent bonds, due May 1, 1962:

March, 1912—

National City Bank	\$7,600,000
Bankers Trust Co.	150,000
Chase National Bank	150,000
Guaranty Trust Co.	150,000
Continental & Commercial Trust & Savings Bank, Chicago	125,000

Wabash Railroad Co. equipment trust 4½ per cent bonds, "Series C," dated July 1, 1906:

June, 1906—

Drexel & Co., Philadelphia	300,000
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Western Electric Co. first mortgage 5 per cent bonds, due Dec. 31, 1922:

January, 1910—

Illinois Trust & Savings Bank, Chicago	825,000
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November, 1910—

J. P. Morgan & Co.	250,000
Illinois Trust & Savings Bank, Chicago	200,000
First Trust & Savings Bank	100,000

Yours, very truly,

CLIFT ROGERS CLAPP.

EXHIBIT No. 218, JANUARY 23, 1913.

HENRY L. HIGGINSON.

American Telephone & Telegraph Co.
 Boston Herald (Inc.).
 Cherry River Coal Mining Co.
 Gauley Coal Land Co.
 General Electric Co.
 Marysville Dredging Co. and one subsidiary company.
 National Shawmut Bank, Boston.
 New England Exploration Co. and three subsidiary companies.
 New England Investment & Securities Co.
 Provident Institution for Savings.
 Rolfe Coal Mining Co.
 Submarine Signal Co.

GARDINER M. LANE.

American Agricultural Chemical Co.
 Broadway Realty Co., New York.
 Central Colorado Power Co.
 Harrison Bros. & Co. (Inc.), Philadelphia.
 Interborough Rapid Transit Co., New York.
 Louisville & Nashville Railroad Co.
 Manchester Electric Co., Manchester, Mass.
 Massachusetts Electric Companies.
 Merchants Steam Lighter Co.
 Montana Power Co.
 Old Colony Trust Co., Boston.
 Pennsylvania Water & Power Co.
 Puget Sound Electric Railway Co.
 Puget Sound Traction, Light & Power Co.
 Rapid Transit Subway Construction Co., New York.
 United States Steel Corporation.

JAMES J. STORROW.

American Writing Paper Co.
 Cambridge Trust Co.
 Columbia Rope Co.
 Dallas Electric Corporation.
 Essex Co.
 First National Bank.
 General Motors Co.
 Houston Electric Companies.
 Massachusetts Fire & Marine Insurance Co.
 New England Casualty Co., Boston.

Nipe Bay Co.
Ponce Electric Co.
Railway & Light Securities Co.
Research Corporation.
Revere Sugar Refinery Co.
Savannah Electric Co.
Seattle Electric Co.
Simmons Sugar (Ltd.).
Tower Oiled Clothing Co.
United Fruit Co.
United States Smelting, Refining & Mining Co. and three subsidiary companies.
William Underwood Co.

GEORGE C. LEE.

Central Aguirre Sugar Companies.
Central Colorado Power Co.
City Investing Co., New York.
Commonwealth Trust Co., Boston.
Fall River Gas Works Co.
Galveston-Houston Electric Co.
Northern Texas Electric Co.
Puget Sound Traction, Light & Power Co.
Security Safe Deposit Co., Boston.
Union Safe Deposit Vaults.

N. PENROSE HALLOWELL.

Bankers' Elec. Protective Association.
Blue Hill National Bank, Milton, Mass.
Houston Electric Co.
National Bank of Commerce, Boston.

FRANCIS L. HIGGINSON, JR.

Commonwealth Trust Co., Boston.

CHARLES H. SCHWEPPE.

(Admitted as a partner Jan. 1, 1913.)

Iroquois Iron Co.
In all, 66 corporations.

EXHIBIT No. 219, JANUARY 23, 1913.

Table showing balances of J. P. Morgan & Co. in different banks on Jan. 2, 1912.

Name of bank.	Deposits of J. P. Morgan & Co.
American Exchange National Bank.....	\$1,228,000
Chemical National Bank.....	837,000
Chase National Bank.....	1,055,000
National Bank of Commerce.....	1,084,000
First National Bank.....	815,000
National City Bank.....	935,000
National Park Bank.....	1,055,000
Guaranty Trust Co.....	1,101,000
Bankers Trust Co.....	1,000,000
Mechanics & Metals National Bank.....	283,000
Liberty National Bank.....	25,000
Standard Trust Co.....	100,000
Central Trust Co.....	100,000
New York Trust Co.....	100,000
Boston:	
First National Bank.....	260,000
Second National Bank.....	235,000
Shawmut National Bank.....	228,000
Old Colony Trust Co.....	102,000

EXHIBIT No. 220, JANUARY 23, 1913.

Table showing balances of J. P. Morgan & Co. in different banks on Nov. 1, 1912.

Name of bank.	Deposits of J. P. Morgan & Co.
American Exchange National Bank.....	\$2,110,000
Chemical National Bank.....	1,383,000
Chase National Bank.....	1,296,000
National Bank of Commerce.....	856,000
First National Bank.....	922,000
National City Bank.....	794,000
National Park Bank.....	1,100,000
Guaranty Trust Co.....	1,000,000
Bankers Trust Co.....	1,000,000
Mechanics & Metals National Bank.....	25,000
Liberty National Bank.....	647,000
Standard Trust Co.....	100,000
Central Trust Co.....	100,000
New York Trust Co.....	100,000
Boston:	
First National Bank.....	190,000
Second National Bank.....	140,000
Shawmut National Bank.....	247,000
Old Colony Trust Co.....	84,000

EXHIBIT 221, JANUARY 23, 1913.

SOUTHERN RAILWAY CO.—C. H. COSTER AND OTHERS, COMMITTEE, WITH THE
VOTING TRUSTEES.—AGREEMENT.—OCTOBER 15, 1894.

This agreement, made in the city of New York this fifteenth day of October, eighteen hundred and ninety-four, by and between C. H. Coster, George Sherman, and Anthony J. Thomas, a committee under a certain plan and agreement for the reorganization of the Richmond and West Point Terminal Railway and Warehouse Company and its "subordinate companies," made the first day of May, eighteen hundred and ninety-three, and subsequently from time to time modified (hereinafter called the Committee), parties of the first part, and J. Pierpont Morgan, Charles Lanier, and George F. Baker (hereinafter called the Voting Trustees), parties of the second part, witnesseth as follows:

Whereas the Committee has delivered to the Voting Trustees certificates for fully-paid shares of one hundred dollars (\$100) each of the capital stock of the Southern Railway Company (a corporation of Virginia), as follows: 1,199,000 shares of the common stock, 500,000 shares of the preferred stock.

Which certificates, together with such other similar certificates as hereafter from time to time may be delivered hereunder, are to be held and disposed of by the Voting Trustees under and pursuant to the terms and conditions hereof;

Now, therefore:

First. The Voting Trustees do hereby promise and agree with the Committee, and with each and every holder of certificates issued as hereinafter provided, that from time to time, upon request, they will cause to be issued to the Committee, or upon its order, in respect of all stock received from it, and to the railway company, or upon its order, in respect of all stock received from it, certificates in substantially the following form:

SOUTHERN RAILWAY COMPANY.

Common stock trust certificate.

This is to certify that, as hereinafter provided, ——— will be entitled to receive a certificate or certificates for ——— fully-paid shares of one hundred dollars each in the common capital stock of the Southern Railway Company, and in the meantime to receive payments equal to the dividends, if any, collected by the undersigned Voting Trustees upon a like number of such shares standing in their names; and, until after the actual delivery of such certificates, the Voting Trustees shall possess, and shall be entitled to exercise, all rights of every name and nature, including the right to vote, in respect of any and all such stock; it being expressly stipulated that no voting right passes by or under this certificate, or by or under any agreement expressed or implied. No stock

certificates shall be due or deliverable hereunder before the first day of July, 1899, nor until after the Southern Railway Company, in one year, shall have paid five per cent cash dividends on its preferred stock; but the Voting Trustees, in their discretion, may make earlier delivery.

This certificate is issued under and pursuant to the terms and conditions of a certain agreement dated October 15, 1894, by and between C. H. Coster, George Sherman, and Anthony J. Thomas, as a Committee, and the undersigned Voting Trustees.

This certificate is transferable only on the books of the undersigned Voting Trustees by the registered holder either in person or by attorney duly authorized according to rules established for that purpose by the undersigned Voting Trustees and on surrender hereof; and until so transferred the undersigned Voting Trustees may treat the registered holder as owner hereof for all purposes whatsoever, except that delivery of stock certificates hereunder shall not be made without the surrender hereof.

This certificate is not valid unless duly signed by Drexel, Morgan & Co., as agents, and also registered by the Central Trust Company, of New York, as registrar.

In witness whereof, the undersigned Voting Trustees have caused this certificate to be signed by Drexel, Morgan & Co., their duly-authorized agents, this — day of —, 189—.

J. PIERPONT MORGAN,
CHARLES LANIER,
GEORGE F. BAKER,
Voting Trustees.

By their agents hereunder, —.

Registered this — day of —, 189—.

CENTRAL TRUST COMPANY OF NEW YORK, *Registrar.*
By —.

Entered : —,
Transfer Clerk.

SOUTHERN RAILWAY COMPANY.

Preferred stock trust certificate.

This is to certify that, as hereinafter provided, — will be entitled to receive a certificate or certificates for — fully-paid shares of one hundred dollars each in the preferred capital stock of the Southern Railway Company, and in the meantime to receive payments equal to the dividends, if any, collected by the undersigned Voting Trustees upon a like number of such shares standing in their names; and, until after the actual delivery of such certificates, the Voting Trustees shall possess and shall be entitled to exercise all rights of every name and nature, including the right to vote, in respect of any and all such stock, it being expressly stipulated that no voting right passes by or under this certificate, or by or under any agreement expressed or implied.

This certificate is issued under and pursuant to the terms and conditions of a certain agreement dated October 15, 1894, by and between C. H. Coster, George Sherman, and Anthony J. Thomas, as a committee, and the undersigned voting trustees. No stock certificates shall be due or deliverable hereunder before the first day of July, 1899, nor until after the Southern Railway Company, in one year, shall have paid five per cent cash dividends on its preferred stock; but the voting trustees, in their discretion, may make earlier delivery.

This certificate is transferable only on the books of the undersigned voting trustees by the registered holder, either in person or by attorney duly authorized, according to rules established for that purpose by the undersigned voting trustees, and on surrender hereof, and until so transferred, the undersigned voting trustees may treat the registered holder as owner hereof for all purposes whatsoever, except that delivery of stock certificates hereunder shall not be made without the surrender hereof.

This certificate is not valid unless duly signed by Drexel, Morgan & Co., as agents, and also registered by the Central Trust Company of New York as registrar.

In witness whereof the undersigned voting trustees have caused this certificate to be signed by Drexel, Morgan & Co., their duly-authorized agents, this _____ day of _____, 189—.

J. PIERPONT MORGAN,
CHARLES LANIER,
GEORGE F. BAKER,
Voting Trustees.

By their agents hereunder,

Registered this _____ day of _____, 189—.

CENTRAL TRUST COMPANY OF NEW YORK, *Registrar.*

By _____

Entered:

_____, *Transfer Clerk.*

Second. On the first day of July, 1899, if the Southern Railway Company shall then have paid five per cent cash dividend, in one year, on its preferred stock, and, if not, then so soon as such dividend shall be so paid, or whenever the voting trustees shall decide to make delivery prior to such date, without waiting for such payment of dividend, the voting trustees in exchange for and upon surrender of stock trust certificates then outstanding will, in accordance with the terms hereof, deliver proper certificates of stock of the Southern Railway Company, it being distinctly understood and agreed that at any date the voting trustees may call upon the holders of stock trust certificates to exchange them for certificates of capital stock, and at any time after such call may deliver stock certificates in exchange therefor; and also that the preferred stock is subject to the exercise at any time by the Southern Railway Company of any charter right to redeem such stock in cash at par.

Third. From time to time hereafter the committee, or the Southern Railway Company, may tender and deliver, and the voting trustees will receive, additional fully-paid shares of the capital stock of the Southern Railway Company, either common or preferred, and in respect of all such shares so received will issue and deliver certificates similar to those above mentioned, entitling the holders to all rights above specified.

Fourth. Any voting trustee may at any time resign by delivering to the other voting trustees, in writing, his resignation, to take effect ten days thereafter; and in every case of death, or resignation, or of the inability of any voting trustee to act, the vacancy so occurring shall be filled by the appointment of a successor or successors to be made by the other voting trustees by a written instrument; and the term "voting trustees" as herein used shall apply to the parties of the second part and their successors hereunder.

Fifth. All questions arising between the voting trustees shall from time to time be determined by a majority, either at a meeting or by writing with or without meeting, and in like manner they may establish their rules of action.

Sixth. In voting the stock held by them the voting trustees will exercise their best judgment from time to time to select suitable directors, to the end that the affairs of the company shall be properly managed, and in voting on other matters which may come before them at any stockholders' meeting will exercise like judgment; but they assume no responsibility in respect to such management or in respect of any action taken pursuant to their votes so cast, it being understood that no voting trustee incurs any responsibility by reason of any matter or thing done or omitted under this agreement, except for his own gross negligence or willful malfeasance.

Seventh. This agreement may be simultaneously executed in several counterparts, each of which so executed shall be deemed to be an original, and such counterparts shall together constitute but one and the same instrument.

Any voting trustee hereunder may vote in person or by proxy to any other voting trustee or to any person not a voting trustee.

In witness whereof, the several parties hereunto have set their hands and seals in the city of New York the day and year first above mentioned.

C. H. COSTER, [SEAL.]
G. SHERMAN, [SEAL.]
ANTHONY J. THOMAS, [SEAL.]
Committee.

J. PIERPONT MORGAN, [SEAL.]
CHARLES LANIER, [SEAL.]
GEO. F. BAKER, [SEAL.]
Voting Trustees.

EXHIBIT No. 222, JANUARY 23, 1913.

This agreement, made in the city of New York this 27th day of August, 1902, by and between ————, party of the first part, and J. Pierpont Morgan, Charles Lanier, and George F. Baker (hereinafter called the "voting trustees"). parties of the second part, witnesseth as follows:

Whereas the party of the first part is the holder of stock-trust certificates in respect of fully paid shares of \$100 each of the capital stock of the Southern Railway Company (a corporation of Virginia), issued by the voting trustees under and pursuant to the terms of a certain agreement dated October 15, 1894, by and between the voting trustees, parties thereto of the second part, and C. H. Coster, George Sherman, and Anthony J. Thomas, a committee, parties thereto of the first part; and

Whereas the party of the first part and other holders of such stock-trust certificates desire, and have requested, that in respect of all stock-trust certificates stamped as assenting hereto, the said voting trustees shall continue, for the extended term hereinafter mentioned, to hold the stock represented by such stock-trust certificates, and to vote thereon, and to possess and to exercise all of the rights and powers conferred upon and reserved to the voting trustees under the said former agreement; and

Whereas the voting trustees are willing to accede to the said request and desire of the party of the first part, and of all other holders of such stock-trust certificates, who, by presenting the same to be stamped as hereinafter provided, shall have indicated their like desire: Now, therefore, in consideration of the premises:

First. The party of the first part and all holders of stock-trust certificates issued under the said agreement of October 15, 1894, which shall be stamped as having assented to and accepted the terms of this agreement, hereby do agree and consent that in respect of all stock represented by any stock-trust certificate stamped as assenting hereto, the term of the said agreement of October 15, 1894, and the operation thereof, and the rights and powers of the voting trustees thereunder, shall continue until October 15, 1907, and thereafter until such day as a majority in amount of the holders of such stock-trust certificates stamped as assenting to this agreement shall, by vote on the date of any annual election for directors of the Southern Railway Company, fix as the date for the termination of such agreement and of the rights and powers of the voting trustees thereunder; without prejudice, however, to the continuing right of the voting trustees in their discretion to cause to be made earlier delivery of stock certificates in exchange for stock-trust certificates by them theretofore issued.

Second. Article second of the said agreement of October 15, 1894, is hereby amended so that the first three lines thereof shall read as follows, to wit:

"Second. Upon such date after October 15, 1907, as a majority in amount of the holders of stock-trust certificates assenting to this change, shall have fixed by vote on the date of any annual election for directors of the Southern Railway Company held after October 15, 1907, or whenever the voting trustees shall decide to make delivery," etc.

and as so amended in its second article, the said agreement of October 15, 1894, is hereby renewed, ratified, confirmed, and extended so far as concerns the parties hereto and any and all holders of stock-trust certificates stamped as assenting hereto.

Third. Every stock-trust certificate issued under said agreement, and which shall be stamped as next hereinafter provided as having assented to this extension agreement, shall entitle the holder thereof to all the benefits of this agreement, and shall subject him to all the limitations hereof, to the same extent and in the same manner as though he were a party by name to this agreement and to the said agreement of October 15, 1894, amended, modified, and extended as herein provided.

Such stamping shall be as follows:

"The holder of this stock-trust certificate has assented to and accepted, and hereby assents to and accepts, the provisions of a certain extension agreement dated August 27, 1902; and expressly agrees that until such date after October 15, 1907, as a majority in amount of the holders of assenting stock-trust certificates shall have fixed by vote on the date of any annual election for directors of the Southern Railway Company held after October 15, 1907, no stock certificate shall be due or deliverable hereunder."

Fourth. The voting trustees have accepted the extension of the term of the said voting trust as above provided; and upon the conditions and in the manner

stated in the said agreement of October 15, 1894, they will exercise their best judgment in the continued discharge of the powers conferred upon them by this agreement.

Fifth. This agreement may be simultaneously executed in several counterparts, each of which when so executed shall be deemed to have been an original, and such counterparts shall together constitute but one and the same instrument, and the same shall be binding whenever signed by the party of the first part and any two of the said three voting trustees.

In witness whereof the parties have hereunto set their hands and seals the day and year first above mentioned.

_____. [L. S.]
 _____. [L. S.]
 _____. [L. S.]
 _____. [L. S.]

EXHIBIT No. 223. JANUARY 23, 1913.

SOUTHERN RAILWAY Co.

EXTENDED VOTING TRUST CERTIFICATES FOR PREFERRED AND COMMON STOCK.

A—2692

COMMITTEE ON STOCK LIST,
 NEW YORK STOCK EXCHANGE,
New York, October 6, 1902.

Referring to the application A-1627, made to your committee November 1, 1894, to list the voting trust certificates for preferred and common stock of the Southern Railway Co., which application was granted by the governing committee of the New York Stock Exchange on November 14, 1894, we beg now to hand you herewith a copy of a circular issued by the voting trustees under the voting trust agreement dated October 15, 1894, offering, for the reasons therein set forth, to extend the said voting trust agreement of October 15, 1894, for such holders of voting trust certificates as shall desire such extension to be made, providing at least a majority of the holders of such voting trust certificates shall assent thereto.

Pursuant to the provisions of said circular, an agreement for the extension of such voting trust has been prepared, copies of which are herewith submitted. Pursuant to this agreement, holders of more than a majority of voting trust certificates for each class of stock have assented to said extension, and have either caused their stock trust certificates to be stamped as in said agreement provided, or have signed said extension agreement.

The Agreement for the proposed extension of the voting trust provides:

"First. The party of the first part and all holders of stock trust certificates issued under the said agreement of October 15, 1894, which shall be stamped as having assented to and accepted the terms of this agreement, hereby do agree and consent that in respect of all stock represented by any stock trust certificate stamped as assenting hereto, the term of the said agreement of October 15, 1894, and the operation thereof, and the rights and powers of the voting trustees thereunder, shall continue until October 15, 1907, and thereafter until such day as a majority in amount of the holders of such stock trust certificates stamped as assenting to this agreement, shall, by vote on the date of any annual election for directors of the Southern Railway Co., fix as the date for the termination of such agreement and of the rights and powers of the voting trustees thereunder; without prejudice, however, to the continuing right of the voting trustees in their discretion to cause to be made earlier delivery of stock certificates in exchange for stock trust certificates by them theretofore issued.

"Second. Article second of the said agreement of October 15, 1894, is hereby amended so that the first three lines thereof shall read as follows, to wit:

"'Second. Upon such date after October 15, 1907, as a majority in amount of the holders of stock trust certificates assenting to this change, shall have fixed by vote on the date of any annual election for directors of the Southern Railway Co. held after October 15, 1907, or whenever the voting trustees shall decide to make delivery,' etc.,

"and as so amended in its second article, the said agreement of October 15, 1894, is hereby renewed, ratified, confirmed, and extended so far as concerns

the parties hereto and any and all holders of stock-trust certificates stamped as assenting hereto.

"Third. Every stock-trust certificate issued under said agreement, and which shall be stamped as next hereinafter provided as having assented to this extension agreement, shall entitle the holder thereof to all the benefits of this agreement, and shall subject him to all the limitations hereof, to the same extent and in the same manner as though he were a party by name to this agreement and to the said agreement of October 15, 1894, amended, modified, and extended as herein provided.

"Such stamping shall be as follows:

"The holder of this stock-trust certificate has assented to and accepted, and hereby assents to and accepts, the provisions of a certain extension agreement dated August 27, 1902; and expressly agrees that until such date after October 15, 1907, as a majority in amount of the holders of assenting stock-trust certificates shall have fixed by vote on the date of any annual election for directors of the Southern Railway Co. held after October 15, 1907, no stock certificate shall be due or deliverable hereunder."

"Fourth. The voting trustees have accepted the extension of the term of the said voting trust as above provided, and upon the conditions and in the manner stated in the said agreement of October 15, 1894, they will exercise their best judgment in the continued discharge of the powers conferred upon them by this agreement.

"Fifth. This agreement may be simultaneously executed in several counterparts, each of which when so executed shall be deemed to have been an original, and such counterparts shall together constitute but one and the same instrument, and the same shall be binding whenever signed by the party of the first part and any two of the said three voting trustees."

At this date there have been stamped as "assenting" to the above stated agreement certificates representing 395,887 preferred shares and certificates representing 311,935 common shares. In addition thereto we have assurance that upon quotation being granted, certificates representing something over 125,000 shares preferred and common will be presented for stamping in Amsterdam. In addition to the above stamped "assents" "certificate holders of record," representing 47,267 shares of preferred and 510,201 shares of common stock, have become parties to the proposed extension by signing the above agreement. We have therefore to make application to your committee for a quotation for such voting-trust certificates now listed on the New York Stock Exchange, which have been stamped as assenting to an extension of the voting trust, as provided in the voting trustees' circular above mentioned, and that additional amounts of assented certificates may be added to the list from time to time as official notice shall be received that they have been stamped in accordance with the agreement.

It is proper that we should call the attention of your committee to the fact that while, so far as we are aware, there is no dissent on the part of any trust-certificate holder from the proposed extension, many holders are deterred from having their certificates stamped or otherwise assenting to the extension for fear that by so doing their certificates will be debarred from quotation on the New York Stock Exchange. We would therefore respectfully urge upon your committee the desirability of prompt action upon this application.

We are, yours, very respectfully,

J. PIERPONT MORGAN,
GEORGE F. BAKER,
By J. PIERPONT MORGAN.
CHARLES LANIER,
J. P. MORGAN & Co.,
Agents for Voting Trustees.

OCTOBER 8, 1902.

At a meeting held this day, the governing committee directed that the above-described extended voting-trust certificates for preferred and common stock be admitted to the list.

WM. McCLURE, *Secretary.*

EXHIBIT No. 224, JANUARY 23, 1913.

[J. P. Morgan & Co., Wall St., corner Broad, New York; Drexel & Co., Philadelphia; Morgan, Harjes & Co., Paris.]

NEW YORK, March 19, 1903.

WILLIAM H. CRANBERRY, Esq.,
Chairman Committee on Stock List,
New York Stock Exchange, New York.

DEAR SIR: For your information we beg to advise you that we have stamped as assenting to the extension of the voting trust of the Southern Railway Co. the following certificates:

	Shares.
Preferred stock-----	540,095
Common stock-----	1,074,967
Total-----	1,615,062

out of a total issue of 1,799,000 shares voting trust certificates, and we beg to advise you that we have issued to date 390 shares of preferred and 50 shares of common stock of the Southern Railway Co.

Yours, truly,

J. P. MORGAN & Co.

EXHIBIT No. 225, JANUARY 23, 1913.

Minutes of the committee on stock list show appearance of Mr. Steele in support of the application; action postponed.

Mr. Steele appeared again September 17, 1902; the application was considered; action deferred.

Mr. Steele appeared again September 29, 1902, in the matter of application.

Mr. Steele appeared again October 6, 1902, in the matter of the application. The committee voted to report the application to the governing committee without recommendation.

The chief subjects of delay in the listing of the extended voting trust certificates were (1) the date on which the extended voting trust must terminate, the committee insisting on a fixed date; (2) the form of the new certificate, the committee insisting on a proper engraved form, to both of which Mr. Steele assented.

The extended voting trust certificates were listed by governing committee October 8, 1902. The committee on stock list also reported, without recommendation, application of the Southern Railway Co. voting trust certificates extended for both preferred and common stock.

Mr. Pomroy moved that the application be granted.

Seconded and carried; part of which states that no dissent to the extension existed; at the time of listing 947 (80 per cent) common and 568 (94 per cent) preferred had assented to the extension.

"It is proper that we should call the attention of your committee to the fact that while so far as we are aware there is no dissent on the part of any trust-certificate holder from the proposed extension, many holders are deterred from having their certificates stamped or otherwise assenting to the extension for fear that by so doing their certificates will be debarred from quotation on the New York Stock Exchange. We would therefore respectfully urge upon your committee the desirability of prompt action upon this application."

At a meeting held this day, the governing committee directed that the above-described extending voting trust certificates for preferred and common stock be admitted to the list.

The original voting trust certificates remained on the list until March 31, 1903. Letter J. P. Morgan & Co., March 19, 1903, states assenting to extension preferred 540,095 shares (out of 600,000 shares), common 1,074,967 shares (out of 1,199,000 shares).

The extended voting trust certificates for preferred and common stock are still on the list (June 5, 1912).

No application to list stock has been made.

UNITED STATES
HOUSE OF
REPRESENTATIVES

MONEY TRUST
INVESTIGATION

16-29

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